

Item 1. Form ADV Part 2A

Brochure

WOODWARD

INVESTMENT MANAGEMENT LLC

Woodward Investment Management, LLC

P.O. Box 131645
Houston, TX 77219

Phone: 346-320-3176
Website: www.woodwardim.com
Email: info@woodwardim.com

Date: April 16, 2024

This Brochure (Part 2A of Form ADV) provides you with information about the qualifications, business practices and advisory services of Woodward Investment Management, LLC.

Our firm is an investment adviser firm registered pursuant to the laws of the State of Texas. Registration does not imply a certain level of skill or training, only that we have filed registration documents in the appropriate jurisdictions and with the respective governmental entities. 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.

Additional information about Woodward Investment Management, LLC can be found on the Investment Adviser Public Disclosure website at adviserinfo.sec.gov by using our identification number referred to as a CRD number. Woodward Investment Management's CRD No. is 316141. If you have any questions about the content of this brochure, please contact us at the telephone number or email address shown above.

The Brochure Supplement (Part 2B of Form ADV) for the Investment Adviser Representative of the firm begins on page 21 of this document.

Item 2. Material Changes

This version of our Brochure is dated April 16, 2024. If you would like another copy of this Disclosure Brochure, please download it from the SEC website as indicated above or contact our Chief Executive Officer and Chief Compliance Officer, Madison Woodward at 346-320-3176 or via email at info@woodwardim.com.

The following material changes have been made since our last annual updating amendment filing on February 23, 2023:

1. As of April 1, 2024, Woodward has moved to a virtual office location and has established a mailing service to receive physical correspondence. Such correspondence can be sent to P.O. Box 131645, Houston, TX 77219.
2. Woodward offers a “Long Only” version of The Leading Firms (“TLF”) strategy, which does not short market indices. Please see Item 4 for more information.
3. Woodward pays independent solicitors for referring clients to Woodward. Please see Item 14 for more information.

We may, at any time, update this Disclosure Brochure and send a copy to you with a summary of material changes, or send you only a summary of material changes that includes an offer to send you a copy of the full brochure either by electronic means (email) or in hard copy form.

Item 3. Table of Contents

Item 1. Form ADV Part 2A	1
Item 2. Material Changes	2
Item 3. Table of Contents	3
Item 4. Advisory Services	5
A. Types of Advisory Services:	5
B. Regulatory Assets Under Management	7
Item 5. Fees and Compensation	7
A. Fees and Compensation for Wealth Management Services	7
B. Fees for Model Provider Services	8
C. Other Types of Fees	8
Item 6. Performance Based Fees and Side-By-Side Management	8
Item 7. Types of Clients	9
Item 8. Methods of Analysis, Investment Strategies, and Risk of Loss	9
A. Methods of Analysis and Investment Strategies	9
B. Risk of Loss	11
Item 9. Disciplinary Information	13
Item 10. Other Financial Industry Activities and Affiliations	13
Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	14
A. Proprietary Trading	14
B. Participation or Interest in Client Transactions	15
Item 12. Brokerage Practices	15
A. Selection and Recommendation	15
B. Research and Other Soft Dollar Benefits	16
C. Brokerage for Client Referrals	16
D. Directed Brokerage	16
E. Order Aggregation	17
Item 13. Review of Accounts	17
Item 14. Client Referrals and Other Compensation	18
Item 15. Custody	18
Item 16. Investment Discretion	19
Item 17. Voting Client Securities	19
Item 18. Financial Information	19

Item 19. Requirements for State Registered Advisers	19
A. Principal Executive Officers and Management Persons	19
B. Outside Business Activity	19
C. Performance-based Fees	19
D. Disclosure Events	20
E. Relationship or Arrangement with Any Issuer of Securities	20
F. Disclosure of Material Conflicts of Interest	20

Item 4. Advisory Services

Woodward Investment Management, LLC (referred to herein as “Woodward,” “Firm,” “we,” and “our”) is an independent investment advisory firm registered with the state of Texas. Woodward was formed in 2021 as a Limited Liability Company in Texas and is currently wholly owned by Madison Woodward. For more information about Madison Woodward please see the brochure supplement (Form ADV Part 2B).

A. Types of Advisory Services:

The Firm offers the following types of advisory services to its clients:

1. Wealth Management

Wealth management services are provided on a discretionary basis, either as a direct relationship or through a sub-advisory arrangement. Clients engaging us directly will be asked to grant such authority upon signing our Investment Advisory Agreement. We will meet with the client to develop an understanding of the client’s financial objectives and goals. We will also discuss concepts related to risk, as well as the client’s ability and willingness to take on risk in the client’s overall investment portfolio. We will ask the client questions designed to determine the appropriate investment horizon, risk profile, financial goals, income and other various items we deem necessary.

After we meet with the client, we will allocate their assets in a manner that meets their needs as we understand them based on our discussions with the client and review of the client questionnaire. Clients are given the ability to impose reasonable restrictions on their accounts. However, Woodward will not enter into an investment advisory relationship with a client whose investment objectives may be considered incompatible with Woodward’s investment philosophy or strategy or where the prospective client seeks to impose unduly restrictive investment guidelines.

For the relationships managed through a sub-advisory arrangement, the client will have a direct relationship with an unaffiliated investment advisor that has the direction to select Woodward to manage all or a portion of the client’s portfolio within one of the strategies we offer. The unaffiliated investment advisor will be responsible for collecting information from the client regarding the client’s financial objectives and goals. In addition, they will be responsible for providing the client a copy of Woodward’s ADV part 2A, 2B, Privacy Notice and fee schedule for the fees being charged for these services, which are in addition to the fees charged by the unaffiliated investment advisor. In addition to advisory services, Woodward offers the following strategies to its clients:

Woodward Small Companies, formerly known as the Woodward SMID Cap Equity or SMID, is a sector diversified strategy that typically holds 40 - 60 securities. Following a well-established process of implementing a philosophy described as SGARP (Sustainable Growth at a Reasonable Price), the strategy aims to provide excess returns versus its benchmark while also

maintaining significantly lower volatility. The strategy invests in the small and mid-cap space, and the benchmark is the Russell 2000.

Woodward The Leading Firms (“TLF”) is a concentrated equity strategy that typically holds 10-20 common equities. In addition to long common equities, the strategy has the ability to short general market indices from time to time. Further, the strategy has no restrictions on cash levels and may from time to time have very high portions of its assets in cash and cash equivalents. The strategy has no restrictions on market cap or geography. TLF intends to purchase exceptionally high-quality companies (The Leaders) and hold them for extended periods of time, while mitigating the potential for loss of capital through hedging. “The Leaders” are often described by high insider ownership, a history of strong sales growth and high returns on invested capital, and a clear and concise value proposition to all constituents (Customers, Employees, and Shareholders). TLF utilizes the SGARP philosophy that is integral to Woodward’s investment methodology. For more information on SGARP, please see Item 8 of this brochure. TLF aims to provide highly differentiated and superior returns when compared to the general market, over a reasonable time frame. TLF does not have a benchmark. Woodward offers a “Long Only” version of the TLF strategy, which does not short market indices.

The client grants the Firm ongoing and continuous discretionary authority to make, and to enter orders with a broker/dealer for the execution of, its investment recommendations in accordance with the client’s investment profile without the client’s prior approval of each specific transaction. All transactions in the client’s account shall be made in accordance with the directions and preferences provided to the Firm by the client. The client will execute instructions regarding the Firm’s trading authority as required by each account custodian.

We will also monitor the client’s accounts to ensure that they are meeting the client’s investment objectives and other requirements. If any changes are needed to the client’s investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash or some liquid alternative. The client will receive written or electronic confirmations from the client’s account custodian after any changes are made to the client’s account. The client will also receive statements at least quarterly from the client’s account custodian. Our Investment Advisory Agreement outlines the responsibilities of both the client and Woodward.

The investment portfolios are managed consistent with our investment philosophy, process and strategy. Clients may request restrictions on investing in certain securities or types of securities on a case-by-case basis.

2. Model Provider Services

We also act as a “Model Provider” where we provide model portfolios to other investment advisers. Woodward does not have any relationship with the clients of those investment advisers nor any responsibility for suitability of the recommendations of its models. Accordingly, no Model Portfolio is or will be personalized or in any way tailored to reflect the

personal financial circumstances, investment objectives or other characteristics of any Client. Model Provider will not be responsible for recommending or selecting money market or other cash-equivalent sweep vehicles for purposes of Model Recipient's implementation of a Model Portfolio's cash allocations with respect to Client accounts. Woodward will update models as it deems necessary in light of financial circumstances.

B. Regulatory Assets Under Management

As of the December 31, 2023, Woodward Investment Management, LLC manages \$11,349,730 in client assets on a discretionary basis.

Item 5. Fees and Compensation

In addition to the information provided in Item 4 Advisory Services, this section provides additional details regarding Our Firm's services along with descriptions of each service's fees and compensation arrangements. It should be noted that lower fees for comparable service may be available from other sources. The exact fees and other terms will be outlined in the agreement between the client and the Firm.

A. Fees and Compensation for Wealth Management Services

Woodward charges an advisory fee of up to 1% annually to wealth management clients based on a percentage of assets under management ("Advisory Fee"). The specific Advisory Fee(s) charged by the Firm for its advisory services will be outlined in each client's Investment Advisory Agreement. Advisory Fees are calculated and paid quarterly in arrears based on the average daily balance of the account during the quarter. Advisory Fees are negotiable, depending upon the complexity of the account, the individual client's requirements for frequency of communication, potential future business, etc. Clients receiving the same service from Woodward may be paying different Advisory Fees. Woodward may group multiple accounts of a client (or group of related clients) together for fee billing purposes.

Payment of Advisory Fees will be deducted from the client's account(s) by the qualified custodian. We will only receive payment from the custodian if the client supplies written authorization permitting the Advisory Fees to be paid directly from the account. Woodward will not have access to client funds for payment of Advisory Fees without written consent by the client.

The qualified custodian agrees to deliver an account statement, at least quarterly, directly to the client, showing all disbursements from the account. The client is encouraged to review all account statements for accuracy. Woodward will receive access to a duplicate copy of the statement that was delivered to the client.

For the initial period of portfolio management services, the first period's Advisory Fees will be calculated on a pro-rata basis at the end of the initial quarter. The client may terminate the agreement within five days of entering into the agreement and obtain a full refund. After the

five- day period, either party may terminate the agreement upon a written notice to the other party. Any pre-paid, unearned Advisory Fees will be promptly refunded to the client.

For our sub-advisory arrangements, either Woodward or the unaffiliated investment advisor will be responsible for communicating and charging the clients the fees due Woodward, which are negotiated.

B. Fees for Model Provider Services

Woodward’s maximum fee for Model Provider Services (“Model Provider Fee”) is 1.00%. This fee is negotiable and shall be based on the daily average balance of the total assets managed by any Model Recipient using the Model Portfolios. Model Provider Fee(s) are paid quarterly in arrears (or on such other basis as the parties may agree in writing) within thirty (30) days after the end of each calendar quarter.

As Model Provider Fees are typically paid in arrears, there is normally not a circumstance for a refund due to services rendered. Should a situation occur where a refund is warranted (potentially due to error or miscalculations of fees) refunds will be processed in the most timely and prudent manner available given the circumstances under which a refund is warranted.

C. Other Types of Fees

Advisory Fees and Model Provider Fees discussed above do not include: brokerage commissions, transaction, exchange, wire transfer, electronic fund fees, margin interest or account fees, other fees and taxes on brokerage accounts and securities transactions, or custodial charges, as a third party will handle all custody of assets. These expenses are charged separately.

Client understands that account(s) assets invested in shares of money market funds, mutual funds, ETFs, or other investment companies will be included in calculating the value of the Account(s) for purposes of computing Advisory Fees, and that the same assets will also be subject to the internal expenses of those funds paid to their own investment managers, which are fully disclosed in each fund’s prospectus.

Such charges, fees and commissions are exclusive of and in addition to Woodward’s Advisory and Model Provider Fee(s), and Woodward shall not receive any portion of these commissions, fees, and costs.

Item 6. Performance Based Fees and Side-By-Side Management

Performance-based fees are based on a share of capital gains on or capital appreciation of the client’s assets. Side-by-side management occurs when advisers manage both accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee. Woodward does not charge performance fees or engage in Side-by-side management.

Item 7. Types of Clients

Woodward offers its services to individuals, high net worth individuals, trusts, pooled investment vehicles, pension and profit sharing plans, charitable organizations, family offices, regional investment advisers, partnerships and institutional clients.

Woodward has a preferred minimum account size of \$1,000,000 for our direct investment management clients which may be reached by aggregating accounts. However, there may be occasions when Woodward accepts smaller accounts, which is determined on a case-by-case basis at Woodward's discretion.

Item 8. Methods of Analysis, Investment Strategies, and Risk of Loss

A. Methods of Analysis and Investment Strategies

Woodward manages assets with a consistent "SGARP" ("Sustainable Growth at a Reasonable Price") philosophy and repeatable investment process to implement that philosophy. We seek to purchase high-quality companies at reasonable prices and then grow alongside them for an extended period.

The investment philosophy is the foundation on which an investment process is built:

1. SGARP (Sustainable Growth at a Reasonable Price)
2. SGARP is a marriage of Value and Growth investing, with portions taken from both disciplines.
3. SGARP is described by:
 - a) Durable and Explainable revenue and earnings growth;
 - b) A fair or reasonable price; and
 - c) A clean balance sheet.
4. We believe that these characteristics, when combined, can form the basis for an investment that can potentially lead to excess returns alongside lower volatility.

A disciplined investment process improves decision-making, reduces cognitive errors and increases the likelihood that past results will be repeated. We employ a fundamental, bottoms-up investment process that has been utilized over the past decade. This process is roughly 60% quantitative and 40% qualitative.

1. We start with a quantitative filter to remove companies that have shown no economic profit in the recent past, and we do not believe will show an economic profit in the near future. The risk of using quantitative factors is that it deals with numbers and is therefore limited by the data available.

2. We then use a second quantitative filter to remove companies with poor operating metrics and returns on capital.
3. We then utilize a quantitative filter to remove companies that are overpriced based on our internal valuation metrics. These metrics differ by sector and industry.
4. At this point, the qualitative portion of our process begins. We perform a “deep dive” analysis of the remaining companies that passed our quantitative screens. This includes sector analysis, industry analysis, competitor analysis, historical research, management research, among other qualitative factors that we may look into. The risk of using qualitative analysis is that it is subjective and could be incorrect depending on different factors.
5. Lastly, we employ a technical analysis overlay to try to reduce the risk of short term volatility at purchase. The risk of using technical analysis is that charts may not accurately predict future price movements. Current prices of securities may not reflect all information known about the security and day-to-day changes in market prices of securities may not be predictable with any reliable degree of accuracy.

The above process is repeated on a regular basis, but inversely, for all existing holdings, as a sell process. This well laid out and thorough sell process assists Woodward in attempting to reduce the risk of permanent loss of capital.

Buying high quality enterprises at a reasonable price and growing alongside them can reduce downside risk and the potential for permanent loss of capital. Woodward believes reduction of risk of permanent loss of capital is of higher importance than potential gains, and implements this view through its philosophy of SGARP and the process described above.

Investing in securities involves risk of loss that clients should be prepared to bear. Woodward does not guarantee the future performance of our portfolios, any specific level of performance, or the success of any investment decision or strategy that Woodward may use. Investment decisions made by Woodward are subject to various market, currency, economic, political and business risks, and our investment decisions will not always be profitable.

A sound investment process and disciplined portfolio management can reduce risk. Woodward employs the following guidelines in attempt to reduce risk:

- 1) Holdings are typically bought at an initial 1%-3% weighting.
- 2) Sector weightings are monitored.
- 3) Formal review of investment thesis for a security that meets Woodward's Sell criteria.
- 4) Disciplined Sell Decision - Consistent with our SGARP philosophy, holdings are regularly monitored for fundamental and/or valuation changes that may make the security no longer fit our criteria.

Capital preservation is a top priority of Woodward and is an important part of our philosophy. Woodward's strategy is to own high quality businesses at what we believe to be reasonable valuations. Historically, this approach has led to the Woodward Small Companies strategy having a lower beta and lower volatility than its benchmark.

B. Risk of Loss

It is impossible to describe all possible types of risks which may affect investments. Among the risks are the following:

- **Concentration Risk.** To the extent a portfolio is concentrated in assets related to a particular industry or geographic region, the portfolio will be subject to additional volatility risks associated with such industry or region. In addition, concentrating in a single industry or group of industries may be more susceptible to any single economic, market, political or regulatory occurrence affecting that industry or group of industries.
- **Market Risk.** Markets can, as a whole, go up or down on various news releases or for no understandable reason at all. This sometimes means that the price of specific securities could go up or down without real reason and may take some time to recover any lost value. Adding additional securities does not help to minimize this risk since all securities may be affected by market fluctuations.
- **Currency Risk.** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Interest Rate Risk.** Movements in interest rates may directly cause prices of fixed income securities to fluctuate. For example, rising interest rates can cause "high quality, relatively safe" fixed income investments to lose principal value.
- **Credit Risk.** If debt obligations held by an account are downgraded by ratings agencies or go into default, or if management action, legislation or other government action reduces the ability of issuers to pay principal and interest when due, the value of those obligations may decline, and an account's value may be reduced. Because the ability of an issuer of a lower-rated or unrated obligation (including particularly "junk" or "high yield" bonds) to pay principal and interest when due is typically less certain than for an issuer of a higher-rated obligation, lower rated and unrated obligations are generally more vulnerable than higher-rated obligations to default, to ratings downgrades, and to liquidity risk.
- **Purchasing Power Risk.** Purchasing power risk is the risk that an investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply.
- **Liquidity Risk.** Liquidity is the ability to readily convert an investment into cash. For example, Treasury Bills are highly liquid, while real estate properties are not. Some

securities are highly liquid while others are highly illiquid. Illiquid investments carry more risk because it can be difficult to sell them.

- Political Risk. Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.
- Regulatory Risk. Changes in laws and regulations from any government can change the value of a given company and its accompanying securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws impact the return on these investments.
- Risks Related to Investment Term. If the client requires a liquidation of their portfolio during a period in which the price of the security is low, the client will not realize as much value as they would have had the investment had the opportunity to regain its value, as investments frequently do, or had it been able to be reinvested in another security.
- Business Risk. Many investments contain interests in operating businesses. Business risks are risks associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- Financial Risk. Many investments contain interests in operating businesses. Excessive borrowing to finance a business' operations decreases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- Default Risk. This risk pertains to the ability of a company to service their debt. Ratings provided by several rating services help to identify those companies with more risk. Obligations of the U.S. government are said to be free of default risk.

In addition, there is no assurance that a mutual fund, an ETF, or any security will achieve its investment objective. The principal risks of investing in any mutual fund or ETF are market risk, diversification risk and style risk (growth investing risk and mid-cap company risk). To the extent that a mutual fund or ETF invests in foreign securities or debt securities, a fund would be subject to foreign exposure risk, interest rate risk and credit risk. A fund may invest in derivative instruments that carry derivative instruments risk. A principal risk is the risk that the value of equity securities may decline. Although a mutual fund or ETF may be a diversified fund, it may invest in securities of a limited number of issuers to achieve a potentially greater investment return than a fund that invests in a larger number of issuers. As a result, price movements of a single issuer's securities will have a greater impact on this fund's net asset value causing it to fluctuate more than that of a more widely diversified fund. These and other risk considerations

are discussed in a fund's prospectus. Past performance of investments is no guarantee of future results.

Mutual fund investing involves risk including the possible loss of principal. Non-diversified funds are more susceptible to financial, market and economic events affecting the particular issuers and industry sectors in which they invest and therefore may be more volatile or risky than less concentrated investments. There can be no assurance that any fund will be able to achieve its investment objective. For more information on a particular fund's associated risks, please refer to that fund's prospectus or equivalent disclosure document.

Due to the volatile nature and risks involved when investing in certain types of strategies and/or securities, clients should be aware that the actual return and value of their account(s) may fluctuate and at any point in time be worth more or less than the amount originally invested. We do not represent, guarantee or imply that the services or methods of analysis employed can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines.

Item 9. Disciplinary Information

Woodward is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures to report in response to this Item.

Item 10. Other Financial Industry Activities and Affiliations

Woodward does not have a related person that is:

- A broker/dealer, municipal securities dealer or government securities dealer or broker
- An investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund)
- An investment adviser or financial planner
- A futures commission merchant, commodity pool operator or commodity trading advisor
- A banking or thrift institution
- An accountant or accounting firm
- A lawyer or law firm
- An insurance company or agency
- A pension consultant
- A real estate broker or dealer

- A sponsor or syndicator of limited partnerships

Woodward has a contractual relationship with Avalon Advisors, LLC (also known as “Avalon Investment & Advisory” or “Avalon”) whereby Avalon receives a share of all advisory fees Woodward collects with respect to Woodward’s WSC strategy. Woodward does not refer its clients to Avalon. Avalon does not refer its clients to Woodward.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Woodward, its management, and supervised persons (collectively “personnel”), subscribe to a strict Code of Ethics. The Code of Ethics is designed to comply with the investment advisory laws and regulations that require firms to act as fiduciaries in transactions with their clients. The Firm’s inherent fiduciary duty requires that the Firm act solely in its clients’ best interest and adhere to standards of utmost integrity in its communications and transactions. These standards ensure that clients’ interests are preeminent.

Accordingly, Woodward has implemented extensive policies, guidelines, and procedures that promote ethical practices and conduct by all of the Firm’s personnel. The Firm’s Code of Ethics specifies and prohibits certain types of transactions deemed to create conflicts of interest (or perceived conflicts of interest), as well as to establish reporting requirements and enforcement procedures relating to personal transactions by its personnel. The Code of Ethics, which specifically deals with professional standards, insider trading, personal trading, gifts and entertainment, and fiduciary duties, establishes the Firm’s ideals for ethical conduct based upon fundamental principles of openness, integrity, honesty, and trust. The Firm will provide a copy of the complete Code of Ethics to any client or prospective client upon request.

A. Proprietary Trading

Pursuant to Woodward's Code of Ethics, Woodward's officers and employees may invest in the same securities that are recommended to clients. Similarly, Woodward’s officers and employees may trade simultaneously with clients in the same security as part of a block trade (as long as the same price is obtained), or after trades are placed for clients when consistent with our obligation of best execution. In such circumstances, all of the accounts in the block trade will receive securities at a total average price. We will retain records of the trade order (specifying each participating account) and its allocation, which will be determined prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained. (See Item 12 Brokerage Practices).

Trading by Woodward's officers and employees is subject to review and prior approval by the Chief Compliance Officer (CCO). The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the officers and employees of Woodward will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing officers and employees to invest

for their own accounts. Officer and employee trading is continually monitored under the Code of Ethics, to reasonably prevent conflicts of interest between Woodward and its clients.

The CCO may disapprove a proposed transaction for any reason and need not explain his/her reasoning to the requesting employee.

Woodward's officers and employees must provide Woodward with a list of covered accounts; reportable holdings; duplicate custodial statements and confirmations; and submit quarterly transaction reports.

B. Participation or Interest in Client Transactions

The Firm does not recommend that clients buy or sell securities in which it or a related person may have a material financial interest.

Item 12. Brokerage Practices

A. Selection and Recommendation

Woodward recommends that non-sub-advisory clients utilize the brokerage and clearing services of Charles Schwab & Co., Inc. ("Schwab"). Factors which Woodward considers in recommending Schwab or any other broker-dealer to clients include their respective financial strength, breadth of service, existing relationships, execution, pricing, research and resources available. Not all investment advisers recommend that a client use a particular broker-dealer. Woodward is independently owned and operated and are not affiliated with Schwab. Schwab will hold client assets in a brokerage account in the client's name and buy and sell securities as we instruct them. Clients may at any time add assets to or remove assets from the account(s).

We seek to recommend a custodian/broker who will hold client 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:

- 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.);
- Availability of investment research and tools that assist us in making investment decisions;
- Quality of services;

- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices;
- Reputation, financial strength, and stability; and
- Prior service to us and our other clients.

For our clients' accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account.

B. Research and Other Soft Dollar Benefits

Woodward receives research or other products or services (i.e., soft dollar benefits) from broker-dealers in exchange for placing trades or processing securities related transactions for clients. We do not have to pay the broker-dealer for these services and no client is charged for these services. Therefore, we receive a benefit. The products or services received may benefit all of our clients, not just those whose assets are custodied at the broker-dealer who provides the products or services. This may result in higher transaction costs than those that would have been incurred but for the soft dollar benefits. This is a conflict of interest, as we have an incentive to recommend Schwab because of our existing relationship and the benefits we receive. We mitigate this conflict by conducting semi-annual best execution reviews and through application of our policies and procedures. We have determined that the transaction charges we incur and charge to the client are reasonable in relation to the value of the services received.

C. Brokerage for Client Referrals

Woodward does not receive client referrals or compensation of any kind from broker-dealers or other third parties in exchange for using any particular broker-dealer.

D. Directed Brokerage

While we request that non-sub-advisory clients use Schwab as custodian/broker, non-sub-advisory clients will decide whether to do so and will open their account with Schwab by entering into an account agreement directly with them. We do not open the account with Schwab for clients, although we may assist clients in doing so. Our clients will be responsible for paying all fees and charges of Schwab. If non-sub-advisory clients do not wish to place their assets with Schwab, then we will work with them to find an alternative that is mutually agreeable.

We routinely recommend that the client direct our Firm to execute transactions through broker-dealers with which we have a business relationship. As such, we may be unable to achieve the most favorable execution of the client's transactions and the client may pay higher brokerage commissions than the client might otherwise pay through another broker-dealer that offers the same types of services.

In limited circumstances, our Firm will permit non-sub-advisory clients to utilize their own broker-dealer. In such cases, our Firm may be unable to achieve the most favorable execution of client transactions when we allow clients to direct brokerage. Client directed brokerage may cost clients more money. For example, in a directed brokerage account, clients may pay higher brokerage commissions because our Firm may not be able to aggregate orders to reduce transaction costs, or clients may receive less favorable prices.

For sub-advisory clients, we have discretion to determine the broker-dealer used to execute transactions as well as the commission rates paid to the broker-dealer for client transactions. As such, we may be unable to achieve the most favorable execution of the sub-advisory client's transactions and the client may pay higher brokerage commissions than the client might otherwise pay through another broker-dealer that offers the same types of services. Please note that not all advisors require their clients to grant them discretion to determine the broker-dealer or commission rates paid to the broker-dealer.

E. Order Aggregation

We enter trades as a block where possible and when advantageous to clients whose accounts have a need to buy or sell shares of the same security. If a block trade occurs, the client will receive a price that represents the average of the prices at which all of the transactions in the block were executed. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, and on a pro-rata basis between all accounts included in any such block. Block trades include employee transactions. Block trading allows us to execute equity trades in a timelier, equitable manner, and may reduce overall costs to clients.

Block trades are rotated between three main groups – (1) discretionary accounts, (2) sub-advisory accounts, and (3) model provider accounts. Accounts within the model provider account group are further sub-rotated amongst each other. All block trades placed on a particular day will follow the same main and sub-group order. The main and sub-group order are then rotated each trading day to ensure no main group or sub-group is systematically favored over another. For example, if the day 1 main group order is m1, m2, m3, then the day 2 main group order would be m2, m3, m1, and the day 3 main group order would be m3, m1, m2, and so on. Similarly, if the day 1 sub-group order is s1, s2, s3, then the day 2 sub-group order would be s2, s3, s1, and the day 3 sub-group order would be s3, s1, s2, and so on.

Item 13. Review of Accounts

The Woodward Portfolio Manager (Madison Woodward) reviews daily company specific news, economic news, general market news, and other unforeseen events that may impact the portfolios. Madison Woodward maintains a list of quantitative measures and other notifications that alert him in the case of exogenous events.

Changes in a portfolio holding's senior management team, a change in the industry's competitive landscape, a deterioration of the company's balance sheet, a large acquisition, or other significant event may prompt the portfolio manager to review the investment thesis.

Madison Woodward reviews client accounts at least semi-annually to ensure they are in line with the models.

Madison Woodward may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

Clients receive quarterly custodial statements showing all assets priced as of period end and unrealized gains and losses.

Madison Woodward may write quarterly commentaries which, if written, are available to clients.

Through separately managed accounts (SMA), clients can view daily price changes, position sizes, and updated cash balance for each account.

Item 14. Client Referrals and Other Compensation

Woodward does not receive referral compensation.

Woodward pays independent solicitors for referring clients to Woodward. A conflict of interest exists as receiving referral fees creates an incentive for the solicitor to recommend Woodward based on the compensation received. Please note, however, that any referral fees Woodward pays will not result in the referred client paying a higher cost to Woodward than they would otherwise pay. Before engaging a solicitor, Woodward will ensure the solicitor is properly registered or exempt from registration. Woodward will enter into a written agreement with the solicitor that memorializes the engagement terms.

Some of our custodian broker partners provide us with investment research and analysis tools. This research and these tools may be considered a material economic benefit and is described above in Item 12 Brokerage Practices.

Item 15. Custody

Other than as described below, Woodward does not maintain physical custody of client funds or securities. We require that a qualified custodian hold client assets. Information about the custodian we recommend is fully described in Item 12 Brokerage Practices. We have implemented the safeguard requirements of SEC regulations by requiring safekeeping of clients' funds and securities by a qualified custodian.

Woodward shall have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Client account statements are mailed or sent electronically by the account custodian. At least quarterly, clients are provided written transaction confirmation notices and regular written summary statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. This statement shall disclose to the client the amount of the fee

and the client's assets upon which the fee was based. The account custodian does not verify the accuracy of Woodward's advisory fee calculation. Clients are advised to review these statements carefully, comparing asset values, holdings, and advisory fees on account statements to that in previously received statements, confirmations, and fee invoices.

Item 16. Investment Discretion

Clients provide Woodward with investment discretion on their behalf, pursuant to an executed Investment Advisory Agreement with the client. By granting investment discretion, Woodward is authorized to execute securities transactions, determine which securities are bought and sold, and the total amount to be bought and sold. Limitations may be imposed by the client in the form of specific constraints on any of these areas of discretion with Woodward's written acknowledgement.

Clients are regularly advised to notify Woodward of any changes to their financial status, including changes in income needs, account restrictions and/or risk tolerance.

Item 17. Voting Client Securities

Woodward does not vote proxies on client securities on behalf of its clients. Clients are responsible for making elections relative to election of directors, mergers, acquisitions, tender offers, bankruptcy proceedings and other type events pertaining to the securities in their accounts. Clients receive proxies directly from the issuer or the custodian.

Item 18. Financial Information

Woodward does not require or solicit the prepayment of more than \$500 in fees six months or more in advance of services rendered. We do not have a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients and we have not been the subject of a bankruptcy petition at any time during the past ten years.

Item 19. Requirements for State Registered Advisers

A. Principal Executive Officers and Management Persons

Please refer to the supplemental brochure (Form ADV Part 2B) for information concerning the formal education and business background for the Firm's Chief Executive Officer and Chief Compliance Officer, Madison Woodward.

B. Outside Business Activity

See Item 10 for information about Woodward's outside business activities.

C. Performance-based Fees

As noted in response to Item 6 above, Woodward does not charge performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

D. Disclosure Events

As a State Registered Investment Adviser, Woodward is required to disclose if it or any of its associated persons has been involved in one of several disclosure events, including being found liable or ordered to pay an award in an arbitration claim, or a civil, self-regulatory or administrative proceeding. Neither Woodward nor any of its associated persons has any items to disclose.

E. Relationship or Arrangement with Any Issuer of Securities

Neither Woodward, nor its associated persons, has any relationship or arrangement with issuers of securities.

F. Disclosure of Material Conflicts of Interest

All material conflicts of interest have been disclosed about Woodward and its associated persons which could be reasonably expected to impair the rendering of unbiased and objective advice.

Item 1. Form ADV Part 2B

**Brochure Supplement for
Madison Woodward**

WOODWARD

INVESTMENT MANAGEMENT LLC

Woodward Investment Management, LLC

P.O. Box 131645

Houston, TX 77219

Phone: 346-320-3176 Website: www.woodwardim.com

Email: madison@woodwardim.com

Supplement Date: April 16, 2024

This Brochure Supplement provides information about Madison Woodward that supplements the Woodward Investment Management, LLC (“Woodward”) brochure. You should have received a copy of that brochure. If you did not receive Woodward’s brochure or if you have any questions about the content of this supplement, please contact us at the telephone number or email address shown above.

Additional information about Madison Woodward (CRD No. [6249878](https://www.adviserinfo.sec.gov)) is available on the Investment Adviser Public Disclosure website at [adviserinfo.sec.gov](https://www.adviserinfo.sec.gov).

Item 2. Educational Background & Business Experience

A. Investment Adviser Representative's Information

Madison Woodward
Born: 1986

B. Educational Background

Hampden-Sydney College, Bachelor of Arts Degree in Economics, 2009

C. Business Experience

CEO and CCO, Woodward Investment Management, LLC	08/2021 – Present
Portfolio Manager, Avalon Advisors, LLC	05/2014 – 12/31/2021
Interim Head of Equity Trading, Avalon Advisors, LLC	05/2015 – 10/2016
Equity Analyst, Avalon Advisors, LLC	01/2012 – 05/2014
Business Analyst, Equity Metrix, LLC	09/2009 – 12/2011

Item 3. Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of this advisory business.

A full report that reflects the professional background, business practices, and conduct of our advisory agents is available through the Financial Industry Regulatory Authority's (FINRA) BrokerCheck system link at finra.org/brokercheck or you may request disclosable information under BrokerCheck by calling 800-289-9999, a toll-free hotline operated by FINRA.

You may also access a full report of our advisory agents through the IARD link at adviserinfo.sec.gov. Should you have any technical difficulties with this link you can call the IARD Call Center 240-386-4848 for further assistance.

The information that appears on these websites is collected from individual investment adviser representatives, investment adviser firm(s), and/or securities regulator(s) as part of the securities industry's registration and licensing process.

Item 4. Other Business Activities

Madison Woodward does not have other business activities.

Item 5. Additional Compensation

Madison Woodward does not receive any additional economic benefits for providing securities advice.

Item 6. Supervision

Madison Woodward is the Firm's Founder and CEO, and as such has the ultimate responsibility for assuring all Firm personnel complies with the written supervisory procedures and applicable laws and regulations, and is not under the direct supervision of any one individual. Madison Woodward can be contacted at 346-320-3176.

Item 7. Requirements for State Registered Advisers

This disclosure is required by Texas securities authorities and is provided for your use in evaluating this investment advisor representative's suitability.

- A. Madison Woodward has NOT been involved in any of the events listed below.
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.
- B. Madison Woodward has NOT been the subject of a bankruptcy petition at any time.