
ADV-Part 2 BROCHURE (Parts 2A & 2B)

Part 2A - Item 1 - Cover Page

Goode Investment Management, Inc.

Bowie MD 20721

216-771-9000

11/1/2017

This Brochure provides information about the qualifications and business practices of Goode Investment Management, Inc. If you have any questions about the contents of this Brochure, please contact us at 216-771-9000 or Bgoode@goodeinvestment.com. 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.

Goode Investment Management, Inc. is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Goode Investment Management, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This ADV-Part 2 Brochure is an update to our last annual update of January 2016.

Material Changes/Updates

1. Update of Firm's assets under management (AUM).

We will further provide you with a new Brochure as necessary based on material changes or updates and/or new material information, at any time, without charge.

Currently, our Brochure may be requested by contacting Bruce Goode at 216-771-9000 or Bgoode@goodeinvestment.com.

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Item 4 – Advisory Business

Goode Investment Management, Inc. (“GIM” or the “Firm”) is registered investment adviser organized to meet the stable value and fixed income asset management needs of institutional investors. Goode was granted SEC registration in December of 1998 and was established October 1, 1999. GIM is 100% owned by Bruce T. Goode and is organized as a Sub-Chapter S Corporation.

GIM provides investment supervisory services (consisting of making investments for clients on a discretionary basis) to qualified institutional clients, including qualified retirement plans, pension funds, and corporations. We offer one fixed-income portfolio strategy of Stable Value (Item 8 below provides more information about our investment strategy). GIM offers this Strategy through institutional separate account management, and Clients may choose to tailor this strategy through investment guidelines to best meet their investment objectives and needs. The Firm may often work with its institutional clients to also accommodate client-specific restrictions on our investment strategy.

GIM manages approximately \$53.979 million in total AUM (as of 12/31/16). All of such assets are discretionary AUM.

Item 5 – Fees and Compensation

For our investment management and advisory services, the basic fees are as follows:

Separate Account Management

<u>Amount Under Management</u>	<u>Fee as a Percentage of Assets Under Management</u>
On the first \$100 million	20 basis points
Over \$100 million	15 basis points

All fee schedules above are subject to further negotiation and related modification in the business discretion of the Firm.

The specific manner in which fees are charged by GIM is established in a client’s written investment management agreement with GIM. GIM will generally bill its fees on a monthly

basis in arrears. Clients typically elect to be billed directly for fees. Accounts initiated or terminated during a calendar month or quarter will be charged a prorated fee.

Some investment vehicles which may be used in our strategy may also charge internal management fees. There are no sales charges or loads on the funds we buy and GIM does not receive compensation from these funds in any way.

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

GIM does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 – Types of Clients

GIM generally provides investment management services to corporate and public pension plans and defined contribution plans. Also the Firm offers our services to smaller businesses and corporations and their owners/principals.

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

GIM offers a fixed-income strategy. Our investment objective centers on protection of principal which is our first and foremost priority.

To put that philosophy into practice we emphasize credit quality above all else, undertaking thorough, independent and recurring reviews of all candidate issuers in our universe. We undertake this effort through a collaborative effort with our sub-adviser Fiduciary Capital Management, Inc. (“FCM”).

From a universe of insurance companies and bank wrap providers, the Credit Research Department of FCM carefully analyzes balance sheets and business operating models to create an approved list of issuers for client portfolios. This platform, which is independent from the Nationally Recognized Statistical Rating Organizations (“NRSRO”), produces a universe of approved issuers which is routinely evaluated and updated.

Any external fixed-income contracts and/or investment funds used for investment are all investment grade generally and do not hold securities rated “below investment grade” as

rated by two NRSRO's. We also employ rigorous issue selection disciplines to ensure that our portfolios are properly diversified by issuer, issue type and maturity and that all issues meet our exacting quality standards.

For our strategy where applicable, we defined relative risk as deviations in sector weights, duration and structure from the underlying benchmark. Absolute risk could be defined as the wrap providers' ability to cover the market to book deficiencies at the time of a participant withdrawal.

Investing in securities generally involves risk of loss that clients should be prepared to bear. Past investment performance is not guarantee of future investment returns or results.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of GIM or the integrity of GIM's management. GIM has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

GIM has no other financial industry activities or affiliations.

Item 11 – Code of Ethics

GIM has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at GIM must acknowledge the terms of the Code of Ethics annually, or as amended.

It is GIM's policy to allow its employees to maintain personal accounts with the provider of their choice so long as their activities remain consistent with the firm's fiduciary duty to its

clients, are consistent with regulations, and create no apparent or actual conflicts of interest.

GIM's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Bruce Goode at 216-771-9000 or Bgoode@goodeinvestment.com.

Item 12 – Brokerage & Trading Practices

Most securities utilized in our strategies are purchased by GIM directly through the issuer. There are no commissions, broker fees or charges. Trading responsibilities associated with the purchase of some fixed income securities are delegated to FCM under an open ended contract. FCM, as a fiduciary, also operates under its obligation to obtain best execution for all its clients and maintains its own set of trading policies.

GIM does not purchase equities. Therefore, it does not make use of soft dollars or receive research or services in exchange for execution.

Item 13 – Review of Accounts

Our investment portfolio strategy is reviewed periodically by Bruce Goode, Chief Investment Officer and President. Mr. Goode generally reviews the accounts daily or weekly for conformance to each client's sector and duration guidelines.

Written reports including asset lists, performance and transaction updates are generally provided to clients monthly and/or quarterly. These statements may describe assets held, quantity and market price for each position and the market value of the account. Additional periodic supplementary information and reports—monthly, quarterly or upon client request—may be prepared for clients, highlighting characteristics such as performance, duration, sector weightings, or other client-designated factors etc.

Item 14 – Client Referrals and Other Compensation

It is GIM's current policy to not use solicitors for new business development or to otherwise make cash payments to any individual for new business. From time to time, we may compensate a limited number of investment consultants for successful business

referrals. It is our expectation that the fee would be 25% of the investment management fee Goode Investment Management collects on the referred account.

Item 15 – Custody

GIM does not provide custodial services to its clients. Clients should receive monthly statements from the qualified custodian that holds and maintains client's investment assets. GIM urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

GIM usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, GIM observes the investment policies, limitations and restrictions of the clients for which it advises.

Item 17 – Voting Client Securities

GIM does not invest in securities that would require proxy voting.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about GIM's financial condition. GIM has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Part 2B – BROCHURE SUPPLEMENT

Item 1 – Cover Page

Goode Investment Management, Inc.

Bowie MD 20721

216-771-9000

11/1/2017

Bruce T. Goode

This Brochure Supplement provides information on our personnel listed above and supplements the Brochure. You should have also received a copy of the Brochure.

If you have any questions about the contents of this Supplement, please contact us at 216-771-9000 or Bgoode@goodeinvestment.com.

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Bruce T. Goode, President

Item 2 – Educational Background and Business Experience

Year of Birth: 1949

Education:

) B.S.—Finance, University of Toledo School of Business 1972

Business Background:

)	Goode Investment Management, Inc.	1999 to Present
)	Victory Capital Management	1976 – 1999 Managing Director
)	Bateman Eichler Hill & Richards	1975 – 1976 Stockbroker
)	Pro Sports Advisors	1974 – 1975 Portfolio Manager
)	Prescott Ball & Turben	1973 – 1974 Stockbroker Trainee

Item 3 – Disciplinary Information

Bruce T. Goode has never had any disciplinary disclosures to be reported.

Item 4 – Other Business Activities

Bruce T. Goode is currently not actively engaged in any other investment related business or occupation.

Item 5 – Additional Compensation

Bruce T. Goode receives compensation for providing advisory services solely from his responsibilities at Goode Investment Management, Inc. and from no other source.

Item 6 – Supervision

Bruce T. Goode is founder and President of Goode Investment Management, Inc.