

Harbor Island Capital, LLC
FORM CRS – CUSTOMER RELATIONSHIP SUMMARY
02/20/2025

Item 1. <u>Introduction</u>	Harbor Island Capital, LLC is registered with the Securities and Exchange Commission (SEC) as an investment adviser. Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS , which also provides educational materials about broker-dealers, investment advisers, and investing.
Item 2. <u>Relationships and Services</u>	<p>What investment services and advice can you provide me?</p> <p>We offer investment advisory services to retail investors, including personalized portfolio management to high-net-worth individuals and associated trusts, and other legal entities. Our investment strategy is based on a belief that long-term capital appreciation is best achieved by employing a fundamental, value-based investment philosophy in its stock selection.</p> <p>Monitoring</p> <p>We review client accounts daily. These reviews include an assessment of: the valuations of the individual securities within the portfolio, the portfolio weightings of individual positions, the level of available cash and equivalents, and the various industry concentrations. The goal of these reviews is to keep the individual portfolios invested in securities that will create long term value for the client.</p> <p>Investment Authority</p> <p>We typically manage client accounts on a discretionary basis, subject to any restrictions that have been provided by clients. This means that we have the authority to determine which securities and the amount of securities to be bought and sold without obtaining client consent to specific transactions.</p> <p>Limited Investment Offering</p> <p>We construct individual portfolios on a case-by-case basis by investing primarily in equities. However, we may also determine to utilize mutual funds or exchange traded funds. Investment advice tends to be limited to these types of investments.</p> <p>Account Minimums and Other Requirements</p> <p>We do not impose a minimum portfolio size or minimum annual fee.</p> <p>More information about our services can be found on Part 2 of our Form ADV, which is available at https://adviserinfo.sec.gov/firm/summary/107457.</p> <p>Conversation Starters. Ask your financial professional—</p> <ul style="list-style-type: none">• Given my financial situation, should I choose an investment advisory service? Why or why not?• How will you choose investments to recommend to me? <p>What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?</p>
Item 3. A <u>Fees, Costs, Conflicts, and Standard of Conduct</u>	<p>A. What fees will I pay?</p> <p>Our standard annual asset-based fee is charged quarterly in arrears and is generally between 1.00% and 1.25% depending upon the amount of assets under management. Fees may vary from the above range as they are negotiable from time to time. Additional information about our firm's fees are included in Item 5 of Part 2 of Form ADV, available at https://adviserinfo.sec.gov/firm/summary/107457.</p> <p>In addition to our investment management fees, clients bear trading costs and custodial fees.</p> <p>We do not charge performance-based fees.</p>

	<p>You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.</p> <p>Conversation Starter. Ask your financial professional—</p> <ul style="list-style-type: none"> • Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?
<p>Item 3. B <u>Fees, Costs, Conflicts, and Standard of Conduct</u></p>	<p>B. What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?</p> <p><i>When we act as your investment adviser,</i> we must act in your best interest and not put our interest ahead of yours. At the same time, the way we make money could create conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide to you. Here is an example to help you understand what this means.</p> <ul style="list-style-type: none"> • We generally recommend that clients arrange for their assets to be held with Charles Schwab & Company. Schwab provides us with services and tools for managing client accounts, though these benefits do not depend on the amount of transactions directed by us to Schwab. Since Schwab serves as the custodian, all trades will be placed through them. If any trades are placed with other brokers, Schwab charges clients trade-away fees. • Our employees regularly transact in the same securities as clients. If the possibility of a conflict of interest occurs, the client's interest will prevail. It is our policy that priority will always be given to the client's orders over the orders of our employees. <p>Conversation Starter. Ask your financial professional—</p> <ul style="list-style-type: none"> • How might your conflicts of interest affect me, and how will you address them? <p>More information about conflicts of interest between us and our clients is available on Part 2 of our Form ADV, which can be found at https://adviserinfo.sec.gov/firm/summary/107457</p> <p>How do your financial professionals make money?</p> <p>Harbor Island Capital, LLC's financial professionals receive a salary and may receive a discretionary bonus. Compensation is set with the intention of attracting and retaining highly qualified professionals. Compensation is based on a variety of factors, including the number, value and complexity of accounts under management, the performance of those accounts, and client satisfaction and retention.</p>
<p>Item 4. <u>Disciplinary History</u></p>	<p>Do you or your financial professionals have legal or disciplinary history?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.</p> <p>Conversation Starter. Ask your financial professional—</p> <ul style="list-style-type: none"> • As a financial professional, do you have any disciplinary history? For what type of conduct?
<p>Item 5. <u>Additional Information</u></p>	<p>Additional information about our services can be found at www.adviserinfo.sec.gov. If you have any questions about the contents of this brochure or would like to request a copy of this relationship summary, please contact us at 978-887-3174.</p> <p>Conversation Starter. Ask your financial professional—</p> <ul style="list-style-type: none"> • Who is my primary contact person? Is he or she a representative of an investment-adviser or a broker dealer? Who can I talk to if I have concerns about how this person is treating me?

Exhibit A – Material Changes to Client Relationship Summary

Below is a summary of material changes made to Harbor Island Capital's Form CRS on 2/20/2025

- Item 3.B: We described how employees regularly transact in the same securities as clients and noted that if the possibility of a conflict occurs, the client's interest will prevail.