

Part 2A, Appendix 1

Item 1 - Cover Page

NORTHWEST WEALTH MANAGEMENT, LLC
FORM ADV – PART 2A APPENDIX 1 INFORMATION
March 20, 2013

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This Wrap Fee Program Brochure provides information about the qualifications and business practices of Northwest Wealth Management, LLC (“NWM”). If you have any questions about the contents of this Brochure, please contact us at (712) 580-4100. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about NWM (CRD No. 152816), including a copy of its Form ADV Part 1, is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Material Changes To This Wrap Fee Brochure Since Its Last Annual Update

We do not use Schwab as a custodian or brokerage firm in our Wrap Program.

<u>Item</u>		<u>Page</u>
1	Cover Page.....	1
2	Material Changes Since Last Annual Update	2
3	Table of Contents	3
4	Services, Fees and Compensation.....	4
	<i>A. Asset Management Services and Fees</i>	4
	<i>B. Costs</i>	6
	<i>C. Internal Fees of Funds and Other Excluded Costs</i>	7
	<i>D. Wrap Fee Incentive</i>	7
5	Account Requirements and Types of Clients.....	7
6	Portfolio Manager Selection and Evaluation	8
	<i>A. Third Party Managers</i>	8
	<i>B. Related Managers</i>	8
	<i>C. Other Information</i>	8
7	Client Information Provided to Portfolio Managers	9
8	Client Contact with Portfolio Managers	9
9	Additional Information	9
	<i>A. Disciplinary Information</i>	9
	<i>B. Other Information</i>	9

Item 4 - Services, Fees and Compensation

NWM is registered with the U.S. Securities & Exchange Commission ("SEC") and noticed filed in various states. NWM makes counseling, including financial planning, asset management and retirement plan advisory services available to a wide variety of clients. This brochure discusses NWM's asset management services offered on a "wrap" fee basis. NWM has been licensed as an investment adviser since April of 2010. NWM is wholly-owned by Northwest Financial Corp. Northwest Financial Corp is owned by Dwight Conover and Cornelius B. Conover IV. NWM does not control any other firm. The asset services of NWM are described below.

As of December 31, 2012, NWM had \$182,765,556 in assets under discretionary management and none under non-discretionary management.

A. Asset Management Services

NWM offers clients portfolio management and reporting services by means of its Asset Management Services program. Through the program, clients receive investment analysis, allocation recommendations, monthly or quarterly statements reflecting holdings and transactions, quarterly statements, and ongoing account monitoring services for a portfolio which may include stocks, bonds, mutual funds, exchange-traded funds, private placements, and convertible securities. NWM will exercise discretionary trading authority while providing services. This means that NWM Representatives will have authority to purchase and sell securities of their choice in the amounts and at the times they believe it is suitable for a client's account to do so. NWM may also recommend the use of third-party investment managers to manage all, or a portion of, the assets. Such managers will also have limited discretionary trading authority.

The initial asset allocation recommendations are based on the financial information gathered from each client including net worth, risk tolerance, financial goals and objectives, investment restrictions and overall financial conditions. Based on this information, the client is provided with investment recommendations designed to provide an appropriate asset mix consistent with the client's objectives. The client's portfolio and its performance are monitored by the client's Representative in light of the client's stated goals and objectives. The frequency of these reviews is determined by the Representative. NWM Representatives meet with the client on an as needed basis to discuss the portfolio and other aspects of the service. Clients may contact their manager at any time.

As a general rule, NWM believes that investing is best suited to those who believe in a long-term buy-and-hold policy. Therefore, clients should not expect frequent investment changes in the portfolio. However, as a result of monitoring the account, portfolio modifications may be advisable and made. Commissions will be charged for transactions by the brokerage firm processing the transactions.

Investments are not held by NWM. Instead, all investments managed by NWM are usually custodied at the brokerage firm through which transactions are placed.

As indicated above, when providing Asset Management Services, NWM Representatives will exercise discretion when granted authority by clients and most clients grant discretionary authority to NWM. When doing so, it allows NWM to select the securities to buy and sell, the amount to buy and sell, when to buy and sell, and the commission rate paid, without obtaining specific consent from the client for each trade. Clients should be aware that Representatives may make different recommendations and effect different trades with respect to the same securities and insurance to different advisory clients.

Commissions and execution of securities transactions not covered by the wrap service fee implemented through the custodian/broker dealer recommended by NWM may not be better than the commissions or execution available if the client used another brokerage firm. However, NWM believes that the overall level of services and support provided to the client by custodians and broker-dealers for any trade not covered by the wrap fee outweighs the potentially lower costs that may be available from other brokerage service providers.

When exercising discretion, NWM may combine orders for more than one client's account to form a "block" order for the purpose of seeking a better price and or execution. When a block order is executed, the broker/dealer executing the order typically allocates an average execution price to all shares in the block order, which NWM then allocates to each customer's account position on a pro rata basis. Should a block order only be partially filled, available shares are distributed in a manner fair to all accounts.

If a client directs NWM to effect transactions through a particular broker/dealer, NWM will do so. However, such an instruction may have implications to the client which may include incurring transaction costs and commissions that may be higher or lower than if the instruction had not been given. Also, restricting NWM to particular broker/dealers may limit NWM's ability to include a client account order within block orders to obtain the best price or execution.

Neither NWM, nor the third-party managers it may secure, guarantees the results of the advice given. Thus, significant losses can occur by investing in any security, or by following any strategy, including conservative investments and strategies recommended or applied by NWM.

NWM may recommend exchange-traded funds ("ETF"). ETF shares are bought and sold at market price unlike mutual funds. ETFs are subject to risks similar to those of stocks.

Although it generally does not exercise discretion to select brokerage firms, NWM Representatives typically recommend the custodial services of Pershing, LLC, a securities broker/dealer, Member FINRA/SIPC or TD Ameritrade, Inc. a securities broker/dealer, member FINRA/SIPC, (collectively known as "Service Providers").

Clients should be aware of the fact that not all advisers require clients to use a particular brokerage firm. Because clients having accounts managed by NWM are required to open accounts with, and use the transaction services of, Service Providers, NWM may not be able to achieve the most favorable execution of client transactions. Thus, use of only Service Providers may cost clients more money.

NWM does not process transactions through Service Providers in return for Service Providers referring new clients to NWM.

Asset Management Services Wrap Fee

Fees payable for Asset Management Services are calculated as percentage of the total value of investments under management as set forth below. In addition to this advisory fee, there may be administrative and servicing fees.

<u>Market Value of Account</u>	<u>Annual Rate</u>
\$0 to \$500,000	2.50%
\$500,001 to \$1,000,000	2.00%
\$1,000,001 to \$3,000,000	1.50%

\$3,000,001 to \$10,000,000	1.00%
Over \$10,000,000	0.65%

In some cases, these fees may be negotiated. All fees are specified in each client's Service Agreement.

The asset-based fee above includes all fees and charges for services, as applicable, of NWM, third-party managers, and certain brokerage commissions. The fee does not include the following: (a) charges for services provided by NWM, its affiliates or third parties outside the scope of this Agreement (e.g. retirement plan administration fees, trustee fees, wire transfer fees, account fees and charges incidental to brokerage and custodial services, etc.); (b) any taxes for fees imposed by exchanges or regulatory bodies; (c) mark-ups and mark downs charged on principal trades or spreads by market-makers; (d) brokerage commissions and other fees and charges imposed because NWM or a third-party manager chooses to effect securities transactions for the account with or through a broker-dealer other than the custodian; (e) sales loads and internal operating expenses on mutual funds, exchange traded funds and variable insurance contracts; (f) commissions on transactions occurring after notice of Agreement termination is given; and (g) commissions on transactions ordered by a client. Each of these additional charges may be separately charged to the Client's Account or reflected in the price paid or received for a given security.

Advisory fees are payable monthly or quarterly in advance and are calculated on the basis of the market value of the investments in the account including any balances held in money market funds.

For monthly fee calculations, the fee for the initial partial month is **waived** entirely. Subsequent fees are charged based on the market value of the account as of the last business day of the previous month.

For quarterly fee calculations, the fee for the initial quarter is pro-rated for the period services are provided. Subsequent fees are based upon the market value of the account as of the last business day of the previous quarter.

Upon termination of the account, any prepaid advisory fees will **not be refunded**.

NWM may amend its fee upon 30-days advance written notice to the Client.

With prior client permission, fees payable to NWM are deducted from the client's account when due. NWM will liquidate money market shares to pay the fee and, if money market shares or cash value are not available, other investments will be liquidated. Authorization for the automatic deduction of fees from the account is contained in the services agreement. The client's periodic portfolio statements from the custodian disclose all amounts disbursed from the account, including advisory and service fees paid. The client may terminate the authorization for automatic deduction of advisory fees payable to NWM at any time by notifying NWM in writing. NWM has the right to amend its fee after providing the client with a 30-day advance written notice.

Any client service agreement may be terminated by a client without penalty upon delivery of written notice to NWM within five business days after the date of the client's execution of the Client Services Agreement.

B. Costs

NWM's "wrap" fees shown above (fees which include both NWM's advisory fee and certain brokerage commissions) may be more or less than those charged by NWM to another client for similar services, and by other advisers for similar services.

Also, NWM's "wrap" fee may be more or less than the fees and commissions charged by other advisory firms, third-party managers, and brokerage firms if the services were acquired separately. The factors that bear upon the cost of services are the size of the account, type of transactions, and whether trades are placed through a brokerage firm other than the custodian resulting in per trade commissions being charged to the account.

C. Internal Fees of Funds and Other Excluded Costs

In the event that exchange-traded funds or mutual funds are part of a client's portfolio, the mutual funds charge additional and separate internal fees as described in the fund's prospectus. Thus, when these funds are in a client's account, two advisory fees are imposed: one internally by the fund, the other by NWM.

Not all transaction-related expenses are covered by the "wrap" fee schedule shown above. Mark-ups and mark-downs and spreads of market-makers, certain account charges by the custodian, commissions and costs for transactions not placed through NWM's recommended custodian, commissions on transactions occurring after termination of NWM's services agreement, and client-ordered transaction commissions are not covered. See the "Fees" section above.

D. Wrap Fee Incentives

Because NWM absorbs certain transaction commission costs, its Representatives giving advice have a financial incentive not to place transaction orders frequently since doing so increases the transaction costs to NWM, thereby reducing its revenue which the Representative's shares with the firm. Thus, an incentive exists to place trades less frequently. Also, because fees are asset-based, there is an incentive for the Representative to recommend that a client not reduce positions since doing so will reduce the fee to the Representative. Also, Representatives may receive more compensation in this program over others which require separate payment for advice, brokerage and other services, thus this financial incentive may also create a conflict of interest.

NWM does not guarantee the results of 1) investment management or consulting advice it gives, including the performance of its investment models, or 2) the advice given and actions taken by third-party managers. Thus, significant losses can occur by using NWM's services.

Other Compensation

NWM Representatives are also licensed to offer securities and insurance products and will receive customary commissions for the sale of such products should a client decide to make purchases or sales through the Representative which are not covered by the wrap fee. When selling these products, a conflict of interest exists.

Item 5 - Account Requirements and Types of Clients

Although NWM does not generally have any conditions for providing its services, NWM Representatives may negotiate a base fee for the wrap services described in this Schedule H brochure.

NWM makes its advisory services available to a wide variety of clients including, but not limited to, individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities.

Item 6 - Portfolio Manager Selection

A. Third-Party Managers

When securing the services of third-party portfolio managers, NWM will generally recommend and use the services of managers it has researched and is familiar with. Therefore, managers having better or worse performance may not be considered. Third-party managers are only recommended when the manager's strategy fits within a particular client's investment risk tolerance and objectives.

Third-party portfolio manager performance, like that of investment performance, is reviewed periodically by NWM and discussed with the client. In most cases, recommendations to replace a third-party portfolio manager are not made based upon short-term performance. When a third-party portfolio manager is replaced, NWM will attempt to notify the client orally or in writing to obtain the client's consent for the change. However, NWM is granted authority to change managers even if a client's consent is not obtained. When a third-party portfolio manager is selected, clients will receive that firm's Form ADV Part II brochure for review. Clients are encouraged to carefully review the information in the brochure upon receipt. The performance of third-party managers will not be reviewed by an outside source.

B. Related Managers

Representatives of NWM may act as portfolio managers. Also, NWM Representatives providing management services may not have experience in portfolio management, thus may not have a history of performance to match against other individuals and management firms. Thus, the Representatives providing advice are not subject to the same selection and review process that would occur if third-party managers were being evaluated. However, only seasoned Representatives having sufficient securities knowledge, are allowed to provide Asset Management Services.

C. Business Information

Advisory Business. See Item 4.A.

Performance Based Fees and Side-By-Side Management. NWM does not charge any performance-based fees. All fees are disclosed above.

Methods of Analysis, Investment Strategies and Risk of Loss. NWM's security analysis methods include, but are not limited to, fundamental analysis (evaluating securities based upon its historical and projected financial performance); and cyclical analysis (determining the desirability of an issue based upon the status of an issue within the price cycle the security or similar securities have followed historically).

NWM's main sources of information include, but are not limited to, financial newspapers and magazines, research materials prepared by others, and corporate rating services.

Neither NWM, nor the third party managers it may secure, guarantee the results of the advice given. Thus, significant losses can occur by investing in any security, or by following any strategy, including those recommended or applied by NWM.

NWM may recommend exchange-traded funds ("ETF"). ETF shares are bought and sold at market price unlike mutual funds. ETFs are subject to risks similar to those of stocks.

Voting Proxies on Client Securities. NWM and its Representatives do not vote proxies on behalf of clients who will receive such notices from their account's custodian.

NWM also does not take any action on legal notices it or a client may receive from issuers of securities held in a client's managed account. However, it is available to answer questions regarding such notices.

Item 7 - Client Information Provided to Portfolio Managers

NWM will provide third-party managers objective and background information about the client at account inception, and thereafter as changes to such information is provided to NWM by a client.

Item 8 - Client Contact With Portfolio Managers

Clients are free to contact their NWM portfolio manager at any time.

Item 9 - Additional Information

A. Disciplinary Information

NWM does not have any disciplinary information to report regarding itself or any of its counselors or other related persons.

Other Financial Industry Activities and Affiliations. NWM is affiliated with Northwest Bank, thus a conflict of interest exists when a NWM Representative recommends deposit accounts, trust services, certificates of deposits, or other Bank products.

John G. Lauer, a controlling person of NWM, is also the manger of Goldstar Private Capital Fund I, LLC ("Goldstar"), a private placement. Mr. Lauer manages the fund and receives a share of the earnings of the organization. Goldstar is not recommended to clients of NWM.

B. Other Information

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading. When NWM Representatives make recommendations for the purchase of insurance, they also receive customary commissions as insurance salespersons. The receipt of commissions in return for insurance product purchases creates a conflict of interest for Representatives when they recommend the purchase of such products to clients.

Representatives of NWM may buy or sell securities for themselves that they also recommend to clients. Where a transaction for a Representative, or an account related to a Representative, is contemplated, a client's transaction is given priority. NWM has developed a Code of Ethics applicable to all persons who have access to confidential client records or to recommendations being made for client accounts. Designed to prevent conflicts of interest between the financial interests of clients and the interests of the firm's staff, the Code requires, among other procedures, such "access persons to obtain preapproval of certain securities transactions, to report transactions quarterly and to report all securities positions in which they have a beneficial interest at least annually. These reporting requirements allow supervisors at the firm to determine whether to allow or prohibit certain employee securities purchases and sales based on transactions made, or anticipated to be made, in the same securities for clients' accounts. The Code also established certain bookkeeping requirements relating to federal reporting rules. The Code is

required to be reviewed annually and updated as necessary. A complete copy of the firm's Code is available upon request.

Review of Accounts and Reports. Clients receiving Asset Management Services receive reports at least quarterly from their account's custodian. The client may receive a written performance report as often as is agreed upon between the client and the advisor, but not more often than quarterly. The client's portfolio is regularly reviewed by the NWM Representative as frequently as agreed upon by the client and the Representative, or more frequently if the Representative determines, to ensure the investments in the account are in line with the client's stated investment policy guidelines.

Client Referrals and Other Compensation. NWM does not currently have any client referral relationships. Thus, it does not pay any fee to a third party for making client referrals to it. Also, as indicated above, the firm does not direct brokerage transactions to any third party, including Service Providers, in return for client referrals.

Clients should be aware that there is no direct link between NWM and Service Providers in connection with the advice NWM gives to clients. NWM receives economic benefits through the custody and operating relationships it has with service providers that are not typically available to the Service Providers' retail investors. These benefits include the following products and services, provided to NWM without cost or at a discount: duplicate client statements and confirmations, research related products and tools, consulting services, access to a trading desk serving Representatives, access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares directly to or from client accounts), the ability to have advisory fees deducted directly from client accounts, access to an electronic communications network for client order entry and account information, access to mutual funds with no transaction fees, and discounts or no fees on compliance, marketing, research, technology, and practice management products and services provided by third-party vendors. The Service Providers may also pay for business consulting, professional services, and research received by NWM affiliated persons and may also pay or reimburse expenses (travel, lodging, meals, and entertainment expenses) for NWM personnel to attend conferences or meetings relating to their service platforms or to their advisor custody and brokerage services generally. Some of these products and services made available by the service providers may benefit NWM, but may not benefit its clients. Such other services made available by Service Providers are intended to help NWM manage and further develop its business enterprise, and such services may or may not depend on the amount of brokerage transactions directed to them.

Clients should be aware the receipt of economic benefits by NWM described above, in and of itself, creates a potential conflict of interest and may directly or indirectly influence NWM recommendation of those service providers for custody and brokerage service.

Thus, the receipt of these services creates an incentive and conflict of interest for NWM when it recommends Service Provider services.

Other than the services described above, NWM and its Representatives do not direct transactions and the commissions they generate (soft dollars) to brokerage firms or other parties to receive research or other benefits.

Clients should be aware of the fact that not all advisers require clients to use a particular brokerage firm. Because clients having accounts managed by NWM are required to open accounts with, and use the

transaction services of, Service Providers, NWM may not be able to achieve the most favorable execution of client transactions. Thus, use of only Service Providers may cost clients more money.

NWM does not process transactions through Service Providers in return for Service Providers referring new clients to NWM. NWM may combine similar client orders into one aggregate order for the purpose of obtaining an average price for all customers participating in the order.

Custody. NWM does not take custody of client funds or securities. These safekeeping services are typically provided to managed accounts only by the brokerage firm processing the securities transactions ordered by NWM.

To the extent a client receives any account or other investment ownership statement from NWM, NWM recommends the client carefully compare the report to the custodian's statements.

Financial Information. NWM does not receive fees of more than \$1,200 six months or more in advance from any client, thus no financial statement for NWM is attached. NWM does not have any financial condition that is reasonably likely to impair its ability to meet its contracted commitment to any client.