

Item 1- Cover Page

NORTHWEST WEALTH MANAGEMENT, LLC

FORM ADV Part 2A

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January 08, 2024

This 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 (877) 207-0994. 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.

NWM is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about NWM is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for NWM is 152816.

Item 2- Material Changes

This Item of the Brochure will discuss only specific material changes that are made to the Brochure since our last annual update and provide clients with a summary of such changes.

Items 4, 5 and 8 have been updated to remove reference to the Wrap-fee program and merge aspects of that program into Northwest Wealth Management “Wealth Management Services” offering; Northwest Wealth Management, LLC retired its wrap fee program in December 2023.

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

Currently, our Brochure may be requested by contacting Eric Van Der Heide, Chief Compliance Officer at (877) 207-0994.

(Brochure Date: 01/08/2024)

(Date of Most Recent Annual Updating Amendment: 03/01/2023)

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Item 4- Advisory Business

NWM is registered with the U.S. Securities and Exchange Commission ("SEC") and makes counseling, including financial planning, investment management and retirement plan advisory services available to a wide variety of clients. NWM has been registered as an investment adviser since 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.

As of December 31, 2022, NWM managed \$605,383,311 on a discretionary basis, \$0 on a non-discretionary basis and advised on \$86,337,502 of self-directed retirement account assets.

NWM's Investment Adviser Representatives, Wealth Advisors, and Personal Banking Specialists (herein NWM Representatives) begin each advisory service by carefully examining the client's investment objectives and financial circumstances. During this stage, time is taken to educate clients about the various features of different types of NWM counseling or investment management services that would benefit the client. Clients are also informed about investment alternatives and investment risks to make them aware that attempting to attain a higher rate of return entails accepting higher levels of risk and the potential for loss. Once this initial evaluation is complete, NWM Representatives recommend one or more of the advisory services described below that will be provided in a manner aimed at achieving the Client's investment or other objectives. Clients are free to contact their NWM Representative at any time.

Wealth Management Services

NWM offers clients portfolio management and reporting services by means of its Wealth Management Services program. Through the program, clients receive investment analysis, allocation recommendations, monthly or quarterly statements reflecting holdings and transactions, quarterly performance reports, 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 these services. This means that NWM Representatives will have authority to purchase and sell any securities at their discretion in the amounts and at the times they deem suitable for a client's account. NWM may also recommend the use of third-party investment managers to manage all, or a portion of the assets. Such managers will be granted limited discretionary trading authority. For more information regarding third-party investment managers, please see Item 10 - Other Financial Industry Activities and Affiliations.

The initial asset allocation recommendations are based on the financial information gathered from each client at the onset of the relationship. This includes information on 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 considering the client's stated goals, objectives and investment restrictions. The frequency of these reviews is determined by the Representative and will be at least annually. NWM Representatives meet with the client on an as needed basis to discuss the portfolio and other aspects of the service.

NWM typically recommends that investment management clients use the custody and transaction services of Charles Schwab. Charles Schwab provides custody services, processes transaction orders for client accounts, prepares monthly or quarterly account activity statements, and facilitates the payment of advisory fees due to NWM and any retained third-party managers. 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. While these costs may not be better than the commissions or execution available if the client used another brokerage firm, NWM Believes that the overall level of services and support provided to the client by recommended custodians and broker-dealers outweighs the potentially lower costs that may be available from other brokerage services providers.

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 accordingly. Brokerage commissions will be charged for transactions by the brokerage firm processing the transactions.

Selection of Independent Managers

NWM may retain third-party investment advisers to manage a portion of the clients' assets. Pursuant to the terms of the investment advisory agreement, NWM will have the discretion to hire and terminate these third-party advisers. NWM will provide independent 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.

Pursuant to its discretionary authority granted by the client in the Investment Advisory Agreement, NWM may retain a fixed income securities manager. The fixed income securities manager will be provided with the discretionary authority to invest client assets in fixed income securities consistent with the client's Fixed Income Investment Policy Statement. The fixed income manager will also monitor the account for changes in credit ratings, security call provisions, and tax loss harvesting opportunities (to the extent that the manager is provided with cost basis information). The fixed income manager will obtain NWM's consent prior to the sale of any client securities.

Additionally, NWM may allocate a portion of a portfolio to an independent third-party investment advisor ("Independent Manager") for separate account management based upon individual client circumstances and objectives, including, but not limited to, client account size and tax circumstances. Pursuant to the terms of the investment advisory agreement, NWM shall have the discretion to appoint and terminate these third-party advisers. The specific terms and conditions under which a client engages an Independent Manager may also be set forth in a separate written agreement with the designated Independent Manager. However, not all Independent Managers require a separate advisory agreement with the designated Independent Manager. Disclosure of the use of an Independent Manager and their additional fees will be provided to clients. Independent Managers utilized by NWM include BSP, Dimensional Funds Advisors and Parametric.

Counseling and Financial Planning Services

In designing a project or comprehensive financial plan, regardless of the complexity, Representatives will:

- Interview the client, analyze the client's financial needs and assist the client in developing realistic goals and objectives based on information provided by the client. The Representative may also clarify planning problems and outline strategies designed to meet the client's goals. A client may retain NWM to perform a single nonrecurring project, such as basic investment research or specific investment advice, retirement planning or insurance analysis, or a comprehensive plan covering these and other financial subjects. A client may also engage a Representative for projects that may require annual or more frequent reviews if more complex long-term planning is needed.
- Prepare an initial written project or comprehensive plan in the scope requested by a client based on the information gathered during the client interview and needs evaluation. This plan may include establishing a clear set of objectives, an outline of resources, a written investment policy statement, an

asset allocation model, strategy recommendations, retirement, estate, education, or insurance planning, product recommendations, and steps to take for implementing advice provided.

- Help the client implement the plan, including purchasing and/or selling securities and/or insurance products.
- Review the plan periodically in the scope and frequency agreed upon with the client.

The Representative may also, as needed, recommend changes to the client's investment portfolio or Plan, either in writing or verbally. Changes in the client's financial condition, personal circumstances, goals, or general economic conditions may trigger changes in the plan. To the extent material changes have occurred to a client's circumstances or goals, or to the extent a client requests a new project, the client will be asked to sign a new Service Agreement. The client may initiate contact with the client's Representative as often as needed and the Representative will schedule conferences as needed, usually no less than annually.

All planning is based on information provided by the client. It is the client's responsibility to be certain NWM has current and accurate information for the initial plan and it is the client's responsibility to inform the Representative of material changes affecting the investments and planning strategies implemented.

Retirement Plan Advisory Services

NWM may enter into agreements with employers that provide qualified retirement plans ("Plans") with various advisory services in a 3(21) fiduciary capacity.

NWM will act in a 3(21) fiduciary capacity and typically provides the following services:

1. Provide investment advice to the Employer at a Plan Level.
2. Deliver a report at least annually to the Plan which includes a review of the Plan's Investment Policy Statement, including assessing the following:
 - a. The criteria for selecting money managers and the due diligence procedures that the Plan followed in selecting its money managers and/or mutual funds;
 - b. The basis for asset mix and rebalancing limits;
 - c. The performance measurement criteria;
 - d. Monitoring procedures of money managers and other investment-related vendors;
 - e. Composition and relevancy of quarterly performance reports;
 - f. Composition of custodial reports; and
 - g. Termination procedures for money managers.
3. Review of providers (custodians and recordkeeping) available to the Plan including:
 - a. The capabilities of various providers;
 - b. The performance record of various providers;
 - c. The scope of investment choices at various providers; and
 - d. The cost of various providers.
4. Review of the Plan's overall investment activities for possible conflicts of interests or prohibited transactions by the fiduciary, money managers and/or consultants.
5. Advise Plan about mutual funds and other investment alternatives that are consistent with the investment categories allowable under the Plan;
6. Meet with representatives of Plan, at intervals mutually acceptable to Plan and NWM, to discuss the Plan's investment performance and investment selections;
7. Monitor investments in the Plan's accounts with account custodians (each, an "Account") and change investment selections as NWM deems appropriate. Client hereby grants NWM limited discretionary

authority and appoints NWM as agent and attorney-in-fact with respect to each Account. Pursuant to such authorization, NWM may, in its sole discretion and at Plan's risk, open brokerage and custodial accounts and accounts with third-party investment managers, purchase, sell, exchange, convert and otherwise trade in the securities and other investments in an Account on such markets, at such prices and at such commission as NWM believes to be in the best interest of the Account. NWM shall also have authority to arrange for delivery and payment in connection with transactions for each Account, and act on behalf of Client and in all other matters necessary or incidental to the handling of the Account. This authorization does not grant NWM or any third-party manager permission to take delivery or possession of Plan's funds or securities except for fees due NWM;

8. Prepare written performance and other reports in the scope and at the times mutually agreed upon between Plan and NWM;
9. Conduct informational/educational group meetings with Plan participants at initial installation of the Plan, and periodically thereafter in the scope and frequency mutually agreed upon between Client and NWM regarding:
 - a. General investment concepts;
 - b. Investment objectives and performance of selected investments; and
 - c. Investment allocations and strategies available to meet various investment objectives;
10. Provide individual counseling to Plan participants in the scope and at the times mutually agreed upon between Client and NWM. Such counseling shall not include specific investment recommendations to any participant

For certain retirement plans, NWM mainly works in coordination and support with other retirement plan platforms (collectively "platforms"). Retirement plan clients will engage both NWM and platforms. Platforms will provide to the client additional discretionary investment management services and will exercise discretionary authority to select the plan investments made available to the plans' participants by selecting and maintaining the plans' investments according to the goals and investment objectives of the plan. All advice provided by NWM and NWM Representatives is based upon the reliability of the information provided to NWM by the Plan and its participants.

Either the client or NWM may at any time request an audit of the Plan by an independent certified public accountant, the fee for such audit will be paid by the party making the audit request.

Item 5- Fees and Compensation

All fees paid to NWM for investment advisory services are separate and distinct from the fees and expenses charged by outside managers or other entities, such as mutual funds. NWM's fees are negotiable. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Such charges, fees and commissions are exclusive of and in addition to NWM's fee, and NWM shall not receive any portion of these commissions, fees, and costs. Customary commissions on insurance are also not included. NWM's fees 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.

Prospective clients should be aware that in addition to NWM's advisory fees, clients are responsible for any fees and expenses related to investments in mutual funds. These fees and expenses are described in each fund's prospectus, and will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without the services of NWM. In that case, the client would not receive the services provided by NWM which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by NWM to fully understand the total fees to be paid by the client and to thereby evaluate the advisory services being provided.

In addition, there are tax effects pertaining to fund share redemptions, and other sales, made by NWM on behalf of clients. Redemptions and sales are taxable events which may accelerate the recognition of capital gains, and losses, and frequent redemptions and sales may result in short-term, rather than long-term, capital gains and losses.

Fees payable to NWM are typically deducted from the Client's account(s) when due and the monthly or quarterly custodian statement will reflect the fee debits. 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. NWM's authorization to directly deduct fees is contained in the Client's advisory agreement. Client's periodic custodial statements disclose all amounts disbursed from the account, including advisory fees. Clients 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.

Wealth Management Service Fees

Fees for Wealth Management Services are negotiable and calculated as a percentage of the total value of investments under NWM's management as set forth below. NWM imposes a minimum quarterly fee of \$250 for Wealth Management Services. In addition to the advisory fee, there will be separate and distinct transactional, administrative, servicing fees and commissions charged by the account custodian.

<u>Market Value of Account</u>	<u>Annual Rate</u>
On the first \$500,000	1.25%
Next \$500,000	0.90%
Next \$1,000,000	0.80%
Next \$1,000,000	0.70%
Next \$2,000,000	0.50%
Amounts over \$5,000,000	0.40%

All fees due are set forth in each client's Service Agreement.

Advisory fees are payable 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. All fees are specified in each client's Service Agreement.

For quarterly fee calculations, the fee for the initial quarter is pro-rated after the remainder of the first month, based on the number of months services will be 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 agreement, any prepaid advisory fees will be refunded on a pro-rated basis.

NWM has the right to modify its fee schedule upon 30 days' advance written notice to the client. Wealth Management Service Agreements may be terminated by 30 days' advance written notice by either party to the other.

Counseling and Financial Planning Service Fees

Fees may be charged for Counseling and Financial Planning services as a fixed fee per project basis.

Fixed fees, or project fees, are determined by each Representative by estimating the complexity of the client's circumstances, the level of skill required to perform the service, and the amount of time that will be required to perform research, analysis, and plan preparation. The exact fee is disclosed to the client prior to contract signing.

One-half of the fee is payable upon commencement of services, with the balance due upon delivery of the written plan or completion of counseling services. Payment arrangements are established in the Service Agreement. The fee may be waived in whole or in part by NWM at its sole discretion. The Agreement may be terminated by either party by giving 30 days' advance written notice to the other. Any unearned prepaid fee is returned to the client upon termination.

The fees described above may change based on special situations such as an expansion of a project, increase in the number of reviews, more specialized needs of the client, more complex planning, or more detailed reporting. Before such a change is made, the client is given 30-days prior written notice and acknowledges such changes by signing a new Service Agreement, or an amendment thereto.

Independent Managers

NWM can also recommend client's assets be managed by Independent Managers. Fees for assets managed by an Independent Manager will vary based on the Independent Manager's fee schedule and will generally range from 0.18 - 0.45% annually. Independent Managers' fees can be in addition to NWM's advisory fee noted above and they will deduct their own fee directly from the client's assets separately from NWM's fee. Clients should refer to the Independent Manager's Form ADV Part 2A Brochure for information on their fees and compensation.

Retirement Plan Advisory Service Fees

For our Retirement Plan Advisory Services, NWM will charge an annual fee based on a percentage of the value of Plan assets. The fee is negotiable, but generally conforms to the following schedule:

<u>Market Value of Account</u>	<u>Annual Rate</u>
\$0 - \$999,999	1.00%
\$1,000,000 - \$2,999,999	0.75%
\$3,000,000 - \$9,999,999	0.50%
\$10,000,000 and Up	0.30%

Fees charged by platforms are disclosed and agreed to separately between the client and platform. NWM's Annual Fee is consistently applied across all platforms and is as stated above.

The fee is payable in advance on a quarterly or monthly basis and is based on the Plan assets' quarter-end or month-end values. Fees for partial quarters are prorated. The fee is assessed and deducted from participant accounts or paid by the plan sponsor. If paid by participants, a sale of holdings in the participants' accounts for the fee will be made on a prorated basis of the approximate value of the various investments in the account. The fee may be amended by NWM upon 30-days' advance written notice to Plan.

The Plan or NWM may terminate the Service Agreement upon 30-days' advance written notice to the other. Termination will not affect the liabilities or obligation of the Plan for work already completed. The fee will be pro-rated based on the number of days left in the billing period.

Other Compensation

NWM Representatives are also licensed to offer insurance products and will receive separate yet customary commissions for the sale of insurance products should a client decide to make purchases through NWM Representatives. Clients are free to purchase such products other than through their Representative. This compensation creates a conflict of interest. All prospective and existing clients are hereby advised that this conflict exists. Advisory fees are not reduced by the amount of sales compensation a Representative receives on insurance sales.

Item 6- Performance Based Fees and Side-by-Side Management

NWM 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). All fees are calculated as described in Item 5 above.

Item 7- Types of Clients/Minimum Account Size

NWM makes its advisory services available to a wide variety of clients, including individuals, high net-worth individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations and other business entities.

Although NWM does not have a minimum account size, it may impose a minimum fee for services provided, as discussed earlier in Item 5 - Fees and Compensation.

Item 8- 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.

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

Neither NWM, nor the third-party managers it may engage, 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.

Third-Party Managers

When securing the services of third-party portfolio managers, NWM will generally recommend and use the services of managers it has performed due diligence on 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 2 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.

Item 9- Disciplinary Information

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

Item 10- Other Financial Industry Activities and Affiliations

Affiliated Companies

NWM and Northwest Bank, including Northwest Insurance Services which is a subsidiary of Northwest Bank, are wholly owned subsidiaries of Northwest Financial Corp. and NWM is therefore affiliated with Northwest Bank through control and ownership. As such, conflicts of interest exist when a NWM Representative recommends deposit accounts, insurance services, certificates of deposits, or other products or services offered by Northwest Bank or Northwest Insurance Services.

Buckingham Strategic Partners, LLC

As described above in Item 4, NWM exercises discretionary authority provided by clients to select an independent third-party investment manager for the management of portfolios of individual fixed income securities. NWM selects Buckingham Strategic Partners, LLC ("BSP") for such fixed income management. NWM also contracts with BSP for back-office services including trade processing, collection of management fees, report preparation, marketing assistance, and research. NWM has a fiduciary duty to select qualified and appropriate managers in the client's best interest and believes that BSP effectively provides both the back-office services that assist with its overall investment advisory practice and fixed income portfolio management services. The management of NWM continuously makes this assessment. While NWM has a contract with BSP governing a time period for back office services, NWM has no such fixed commitment to the selection of BSP for fixed income management services and may select another investment manager for clients upon reasonable notice to BSP. The fee payable to BSP is based on the assets under management in the fixed

income program and consists of a portion of the fee paid by clients to NWM and is not separately charged to clients.

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

NWM has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. NWM's Code of Ethics describes the firm's fiduciary duties and responsibilities to clients and sets forth NWM's practice of supervising the personal securities transactions of employees with access to client information. Individuals associated with NWM may buy or sell securities for their personal accounts identical or different than those recommended to clients. It is the expressed policy of NWM that no person employed by the firm shall prefer his or her own interest to that of a client or make personal investment decisions based on investment decisions of clients.

When NWM Representatives make recommendations for the purchase of insurance, they also receive customary commissions as insurance representatives. 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.

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

Item 12- Brokerage Practices

Although it generally does not exercise discretion to select brokerage firms, NWM Representatives typically recommend the custodial services of Charles Schwab & Company, Inc., a securities broker/dealer, Member FINRA/SIPC (collectively known as "Service Providers").

Clients should be aware that there is no affiliation 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 Providers 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 know 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.

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 and 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.

Commissions and execution of securities transactions 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 the overall level of services and support provided to the client by custodians and broker dealers NWM recommends outweighs the potentially lower costs, which may be available from other brokerage service providers.

If a client directs NWM to effect transactions through a particular broker/dealer, including Service Providers, 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 ability to include a client account order within block orders to obtain the best price or execution. In addition, if NWM is affecting transactions in a security for clients by means of a block order, as well as an order in the same security for a client who has directed NWM to use a particular broker/dealer, NWM will affect the block order immediately prior to effecting the directed brokerage trade. Thus, clients directing NWM to use a particular broker/dealer may not

receive the same average price for securities bought or sold that would be received if the order was part of a block order.

Item 13- Review of Accounts and Reports

For clients receiving Counseling and Financial Planning Services, a written project report or comprehensive financial plan is prepared in the scope requested by the client during the initial interview and subsequent counseling sessions. Reviews of financial plans are performed from time to time by the Representative and the Representative's planning staff at the times requested by a client and as the Representative deems appropriate. More than one NWM Representative may be involved in the development of a plan and, with the client's permission, the client's legal and accounting professionals may be involved. When outside professionals become involved in the planning process, the cost of the outside professionals is the responsibility of the client.

Clients receiving Wealth 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 NWM, 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.

Clients receive reports from third-party managers and/or the client account custodian at least once per quarter or more frequently as determined by the custodian or third-party manager. Reviews of the account are performed as frequently as determined by the NWM Representative. Supervisory reviews are also performed by supervisors at NWM to ensure the strategies being deployed by the third-party managers are consistent with the investment objectives of the client. Recommendations to change, or a discretionary change to a manager is made by the Representative or an NWM supervisor at the times they deem appropriate.

Clients receiving Retirement Planning Advisory Services, receive reports in the scope and frequency determined between the client's Representative and the plan sponsor (the company sponsoring the retirement plan). Such reports may include identity of specific investments or money managers deemed appropriate for the Plan, the performance of Plan investments, recommendations regarding investments available to the Plan Participants, and summary reports to the Plan participants. Review of the plan investments occurs as frequently as agreed upon in advance by the client and NWM and may occur more often at the discretion of NWM. Oversight of the review process is performed by an NWM Representative to insure the advice given to clients is consistent with the client's investment objective.

Item 14- Client Referrals and Other Compensation

NWM does not currently have any client referral relationships to any un-affiliated third parties. Individual employees of our affiliate Northwest Bank can receive modest referral bonuses for successful client referrals. Please see above in Item 10 for more information regarding Northwest Bank.

Also, as indicated above, the firm does not direct brokerage transactions to any third party, including Service Providers, in return for client referrals.

Item 15- Custody

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. NWM 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

When providing Wealth Management Services, NWM will exercise discretion authority when granted by clients to determine which securities and the amount of securities that are to be bought and sold. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing. For fixed income securities, this authority will include the discretion to retain an independent third-party investment manager for fixed income accounts.

Clients should be aware that NWM Representatives will make different recommendations and effect different trades with respect to the same securities and insurance to different advisory clients based upon individual client circumstances.

Item 17- Voting Client Securities

NWM does 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, NWM Representatives are available to answer questions regarding such notices.

Item 18- Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about NWM's financial condition. NWM 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.