

Form CRS – Client Relationship Summary

Item 1 - Introduction

Northern Capital Management, Inc. (NCM) is an investment adviser registered with the Securities and Exchange Commission (SEC). Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at www.investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

Item 2 - What investment services and advice can you provide me?

The principal investment advisory service that NCM offers to retail investors is asset management and financial planning. We will meet with you to understand your current financial situation, goals, and risk tolerance and recommend an investment portfolio based on your individual investment objectives. Planning work is tailored to your needs and can either be a targeted analysis of a specific topic (e.g., college planning) or comprehensive in nature. If you are a new

client with a Washington State Medical Association membership (WSMA member), you can choose asset management and financial planning or financial planning only.

Conversation Starter

Ask your financial professional:

- *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- *How will you choose investments to recommend to me?*
- *What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

As part of our standard advisory services, we monitor the securities held in your account(s) on an ongoing and continuous basis and make changes as needed. In addition, we formally review each client account at least annually. This review is done to monitor your portfolio

for compliance with your investment objectives and risk tolerance and if necessary, rebalance your portfolio to meet your changing needs, stated goals and objectives. Our financial planning only service provides a one-time written financial plan. We are limited by the information you provide. You are responsible to inform us of any changes in your investment objectives and/or financial situation.

For standard advisory services, our practice is to manage accounts on a discretionary basis without any material limitations. This means we manage accounts on your behalf, without obtaining your permission for each transaction in your account. You grant us this authority by signing our Financial Advisory Agreement. This agreement will remain in place until you or we terminate the relationship. In limited circumstances we manage accounts on a non-discretionary basis. This means your permission is required to place a trade and you make the ultimate decision regarding the purchase or sale of investments.

Our investment models are based on allocations to stocks, bonds, and cash. We primarily use mutual funds and exchange traded funds to diversify your portfolio and do not have proprietary products. We limit the types of investments that are recommended since not every type of investment vehicle is needed to create an appropriate portfolio. Our firm does *not* have a minimum account size. For additional information about our advisory and financial planning only services, see Items 4 and 7 of our [Firm Brochure](#).

Item 3A - What fees will I pay?

Our standard annual fee for advisory services is 1% on assets under management up to \$3,000,000 and 0.75% thereafter. If you are a new client with WSMA membership, our annual fee for advisory services is 0.9% on assets under management up to \$3,000,000 and 0.675% thereafter. The fee schedule can vary based on factors such as account type, investment objective, service levels, complexity, account size or other special circumstances. Northern Capital occasionally charges fixed fees, a combination of a fixed percentage with a flat minimum fee or

Conversation Starter

Ask your financial professional:

- *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?*

graduating scales where the fee percentage drops as specific break points in portfolio value are reached. Our standard fee for financial planning only services is a range of \$1,500 to \$3,000 depending on complexity and scope of planning.

For advisory services, fees are charged every six months on a lagging basis, including new accounts that may not be fully funded for the entire billing period. The more assets you have in your advisory account(s), the more you will pay in fees. We therefore have an incentive to encourage you to increase those assets which in turn increases our fees. Some custodians (e.g., Charles Schwab) and investments (e.g., mutual funds, variable annuities, etc.) impose additional fees such as transaction fees and product-level fees that reduce the value of your investment over time. 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. For financial planning only services fees are charged at the onset of services and completion of the engagement. More scope and complexity results in more fees. We therefore have an incentive to encourage you to include the full scope of planning services.

Please make sure you understand what fees and costs you are paying. For more detailed information about our fees and costs, see Item 5 of our [Firm Brochure](#).

Item 3B - 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?

Conversation Starter

Ask your financial professional:

- *How might your conflicts of interest affect me, and how will you address them?*

When we act as your investment adviser, we must act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means.

Northern Capital Management, Inc. is affiliated with registered investment adviser, Northern Capital Retirement Services, Inc. who offers retirement plan services to employers, retirement plans and their participants. This affiliation presents conflicts of interest when we recommend an engagement with our affiliated firm, make rollover recommendations between firms or place trades for both firms. As a fiduciary, we have a responsibility to always make recommendations that are in your best interest. More detailed information about our conflicts of interest can be found in Items 10 and 11 of our [Firm Brochure](#).

Item 3C - How do your financial professionals make money?

Our financial professionals are paid a fixed monthly salary based on the amount of client assets they service. This creates a conflict of interest because an increase in assets managed by our firm, results in increased compensation to your adviser.

Conversation Starter

Ask your financial professional:

- *As a financial professional, do you have any disciplinary history? For what type of conduct?*

Item 4 - Do you or your financial professionals have legal or disciplinary history?

No, neither our firm, nor our financial professionals, have any legal or disciplinary history to report. Visit <https://www.investor.gov/CRS> for a free, simple search tool to research us and our financial professionals.

Item 5 - Additional Information

Conversation Starter

Ask your financial professional:

- *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?*

If you have questions or would like additional up to date information on our investment advisory services or a copy of this Client Relationship Summary, please contact us:

- By phone 800.826.9803
- Via email invest@northernwelcome.com
- Online Firm Brochure available at <https://adviserinfo.sec.gov/firm/summary/111379>