

### Item 1. Introduction

North Forty Two & Co. (“North Forty Two,” “we,” “us,” “our,” and “firm”) is an Oregon Corporation registered as an investment advisor with the United States Securities and Exchange Commission. Brokerage and investment advisory services and fees differ and it is important that you understand the differences. Please note that free and simple tools are available to research advisory and brokerage firms and their associated financial professionals at [www.investor.gov/crs](http://www.investor.gov/crs). This site also provides educational materials about broker-dealers, investment advisors, and investing.

### Item 2. Relationships and Services

#### **What investment services and advice can you provide me?**

We offer investment supervisory services to clients which include ongoing and continuous portfolio management and implementation services and, to the extent requested by the client, financial planning and consulting services aimed at specific financial topics and areas of concern identified by the client.

Our investment supervisory services include a review of your unique financial circumstances, investment strategy selection and implementation, and ongoing monitoring and supervision of your designated investment accounts. We will directly invest the assets deposited to your account at the custodian in an investment strategy and portfolio that is designed to comport with your investment objectives and suitability. We will monitor your account regularly, making changes to your holdings as we believe to be appropriate and in your best interests, acting in accordance with our fiduciary duty to you. You will typically be required to grant us discretionary authority to buy and sell investments for your account *without* obtaining your consent prior to each transaction. You may impose reasonable restrictions on our ability to invest in certain securities or types of securities within your account. We will review your account quarterly to ensure that your portfolio holdings comport with your investment profile and needs.

At the client’s request, our investment supervisory services can be supplemented with focused financial planning advice covering discrete topics such as retirement and college planning, insurance, debt maintenance, cash management, tax strategies, estate planning, and others, as may be requested by the client. We will review your financial situation and assets, risk profile, investment time horizon, and investment goals and provide you with our recommendations as they relate to the financial topics on which you seek our advice. Our recommendations will typically take the form of a written financial plan, financial analysis, and/or other reports as requested by the client. The written recommendations we

deliver to you will only be updated or reviewed following initial delivery upon your specific request or as we may otherwise agree in writing. You will make all ultimate investment decisions and be responsible for the implementation and monitoring of any recommended investments held outside of the accounts we directly manage on your behalf.

We primarily advise our clients regarding investments in individual equity and debt securities, mutual funds, exchange traded funds (“ETFs”), real estate investment trusts, corporate and municipal bonds, warrants, U.S. Government securities, certificates of deposit, commercial paper, and to a limited extent, the selection of third-party managers. We may also provide advice regarding investments held in your portfolio at the inception of our advisory relationship and/or other investment types not listed above, at your request. We require a minimum account balance of \$250,000 to begin an investment supervisory relationship. We have no annual fee minimums to start or maintain a relationship.

*More detailed information about our advisory services and account minimums is contained in our Form ADV Part 2A “Firm Brochure.”*

**Conversation Starter:** Ask us:

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

### Item 3. Fees, Costs, Conflicts, and Standard of Conduct

#### **What fees will I pay?**

We charge annual asset-based fees for our investment supervisory services which are calculated as a percentage of the market value of your assets under our management. These annual fees typically range from 0.75% - 0.95% per year based on a tiered fee schedule reflected in our Firm Brochure and a written advisory agreement you will enter with our firm. Fees are charged quarterly in arrears based on the end of quarter market value of your account (including cash balances) as determined by your custodian. These fees will typically be automatically deducted from your account at the custodian. Where direct deduction is not available, we may send you written invoice for these services.

Where asset-based fees apply, you should consider that the more assets you have in your account, the more you will pay us, thus creating an incentive for us to encourage you to increase and/or maintain the level of assets in your account.

Our advisory fees above do not cover transaction-based fees, commissions, and other charges traditionally paid to brokers in connection with the execution of transactions within your account; custodial fees and charges, margin fees, taxes, wire transfer fees, reporting fees, and similar charges as set forth in the account opening documentation of your custodian; and all internal management fees and other costs and expenses associated with any mutual funds, ETFs, and other pooled investment vehicles bought, sold, and held within your account. You will separately bear these costs.

**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.**

*More detailed information about our advisory fees is contained in our Firm Brochure at Item 5.*

**Conversation Starter:** Ask us: “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?”

**What are your legal obligations to me when acting as my investment advisor? How else does your firm make money and what conflicts of interest do you have?**

When we act as your investment advisor, we have to 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:

Example 1: The value of your asset-based advisory fee account goes up, and while the annual percentage we charge may stay the same, the total compensation you pay us goes up proportionately.

Example 2: Your account value goes down, but you still must pay us an asset-based advisory fee proportional to your assets under management.

North Forty Two is a fee-only advisor that does not receive any compensation from the sale of any securities, other investment products, or insurance products to clients. We believe this arrangement reduces conflicts of interest and best aligns with our fiduciary duty to our clients.

*More detailed information related to conflicts of interest is contained in our Firm Brochure at Items 5, 10, 12, and 14.*

**Conversation Starter:** Ask us: “How might your conflicts of interest affect me, and how will you address them?”

**How do your financial professionals make money?**

Our financial professionals are compensated with annual salaries and/or discretionary bonuses.

*More detailed information related to conflicts of interest is contained in our Firm Brochure at Items 5, 10, 12, and 14.*

#### **Item 4. Disciplinary History**

**Do you or your financial professionals have legal or disciplinary history?**

No. We encourage you to visit Investor.gov/CRS for a free and simple search tool to research any of our financial professionals.

**Conversation Starter:** Ask us: “As a financial professional, do you have any disciplinary history? For what type of conduct?”

#### **Item 5. Additional Information**

You can find additional information regarding our firm, including our Form ADV Part 2A and this client relationship summary by visiting the following link: <https://adviserinfo.sec.gov/firm/summary/148417>. You can also obtain a copy of this client relationship summary by visiting our website at <https://northfortytwo.com/> or by contacting us by telephone at (503) 417-2970. We will be pleased to answer any of your questions.

**Conversation Starter:** Ask us: “Who is my primary contact person? Is he or she a representative of an investment advisor or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?”