

NORTHWEST ASSET MANAGEMENT



NWAM Choice Solutions Wrap Fee Program Brochure Form ADV: Part 2 A Appendix 1

This wrap fee program brochure provides information about the qualifications and business practices of Northwest Asset Management, an SEC registered investment advisory firm. Being registered is neither an endorsement nor an indication of expertise. If you have any questions about the contents of this brochure, please contact us at (206) 838-3680. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any states securities authority.

Additional information about NWAM, LLC dba Northwest Asset Management also is available on the SEC's website at www.adviserinfo.sec.gov.

APRIL 13, 2012

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ITEM 2 – MATERIAL CHANGES

This brochure, dated April 13, 2012, has been prepared by Northwest Asset Management to meet new SEC requirements. It has changed materially since the document filed during the 2011 annual update in the following ways:

1. Item 4: verbiage enriched with TD AMERITRADE verbiage.

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ITEM 4 – SERVICES, FEES AND COMPENSATION

4a: Services and Fees

Northwest Asset Management is the sponsor and portfolio manager of the wrap fee program titled NWAM Choice Solutions Program (hereinafter the “The program”). The program is one that provides the client with advisory and brokerage execution services for one all-inclusive fee. The client is not charged separate fees for the respective components of the total service. Northwest Asset Management and its Investment Advisor Representatives actively solicit advisory clients for the program. Northwest Asset Management is also responsible for the marketing of the program.

Currently the program is available for brokerage accounts held at Fidelity Investments and TD Ameritrade. Northwest Asset Management and the client mutually agree on the investment strategy used by Northwest Asset Management to manage the account.

In the program, the Investment Advisor Representative (hereinafter “IAR”) of Northwest Asset Management will continuously monitor client portfolios based on the individual needs of the client. At the time of the client’s initial investment in the program, the IAR will assist the client in determining the client’s current financial situation, financial goals and attitudes toward risk. This determination will allow the IAR to review the client’s situation and determine an appropriate asset allocation.

Once an appropriate asset allocation is determined with a client, the IAR will manage the client accounts on a discretionary basis. Managed clients assets may consist of common stocks, preferred stocks, exchanged traded funds, and no-load or load-waived mutual funds in client accounts. The portfolio manager will make changes to a client’s account based on market, economic and political circumstances, and the individual characteristics of securities.

By recommending the program to clients, Northwest Asset Management is recommending the services of Fidelity Brokerage Services and/or TD Ameritrade. Clients who decide to participate in the program are also choosing the brokerage services of Fidelity or TD Ameritrade.

Fee Schedule

The program charges an asset-based fee for advisory services, which include the cost of executing securities transactions. There is no separate charge for brokerage commissions; however, clients normally will be charged any mark-ups or mark-downs with respect to fixed income securities and other fees as described in the section titled

“Brokerage Commission” on page 5. In certain circumstances, all of Northwest Asset Management’s fees may be negotiable.

Assets Under Management	Annual Fee (%)
Less than \$500,000	2.00%
\$500,000 to \$1,000,000	1.75%
\$1,000,001 to \$2,500,000	1.50%
\$2,500,001 to \$5,000,000	1.25%
\$5,000,001 and above	Negotiable

4b, 4c & 4d: Relative Cost of Services, Separate Services Comparison, Additional Fees, Financial Incentives

Pursuant to contractual authority from the client, Northwest Asset Management will execute all securities transactions in client accounts without separate commission cost. Participation in the program requires the appointment of either Fidelity Brokerage Services or TD Ameritrade as broker. Fidelity’s and TD Ameritrade’s execution procedures are designed to make every attempt to obtain the best execution possible, although there can be no assurance that it can be obtained. Clients should consider whether or not the appointment of Fidelity or TD Ameritrade as the sole broker may or may not result in certain cost or disadvantages to the client as a possible result of less favorable executions.

Northwest Asset Management may trade with other broker/dealer in order to achieve best execution, obtain a wider variety of issues or take advantage of favorable mark-ups or mark-downs available elsewhere.

Advisor may execute transactions with broker-dealers that provide research, seminars and execution services. Subject to Section 28(e) of the Securities Exchange Act of 1934, as amended Advisor may pay broker-dealer commissions for agency transactions that are in excess of the amount of commissions charged by other broker-dealers in recognition of their research, seminar and execution services.

For soft dollar arrangements, the IAR would have to obtain the aforementioned services and products for cash. As a result of receiving such products and services for no cost, Advisor may have an incentive to continue to place Client trades through broker-dealers that offer soft dollar arrangements. This interest conflicts with the client’s interest of obtaining the lowest commission rate available. Therefore, Advisor must determine in good faith, based on the “best execution” policy stated above that such commissions are reasonable in relation to the value of the services provided by such executing broker-dealers.

The client should consider that, depending upon the fee level charged by Northwest Asset Management, the amount of portfolio activity in the client's account, the value of custodial and other services which are provided under the agreement, and other factors, the fee may or may not exceed the aggregate cost of such services if they were to be purchased separately.

In addition to the advisory services provided to clients, the program's quarterly fee also includes execution of securities transactions through Fidelity Brokerage Services or TD Ameritrade. Clients are required to establish accounts through either TD Ameritrade or Fidelity. Client's funds and securities are held at either Fidelity or TD Ameritrade which are non-affiliated with Northwest Asset Management.

The program's quarterly fee does not include: (i) annual account fees or other administrative fees, such as wire fees, charged by Fidelity or TD Ameritrade; (ii) underwriting or dealer concessions or related compensation in connection with securities acquired in underwritten offerings; (iii) certain odd-lot differentials, transfer taxes, transaction fees mandated by the Securities Act of 1934, postage and handling fees, and charges imposed by law with regard to transaction in the client's account; and (iv) advisory fees and expenses of mutual funds (including money market funds), ETFs, closed-end investment companies or other managed investments, if any are held in client's accounts.

When Northwest Asset Management acts as the client's agent in purchasing securities (except in purchases in underwritten offerings other than for open-end mutual funds), the client should be aware that the quarterly fee does not cover certain cost associated with securities transactions in the over-the-counter market where Northwest Asset Management must approach a dealer or market maker to purchase or sell the security. Such cost includes a mark-up, mark-down or spread and odd lot differentials or transfer taxes imposed by law.

A client may transfer securities into a Choice Solution's account on which the client previously has paid a brokerage commission or similar fee for the purchase of those securities. The quarterly program fee will be applied to such securities even though a commission or fee previously has been paid by the client. In some cases, a client may have paid commission for the purchase of the securities. Prior to affecting such a transfer, the client should consider whether it is appropriate to make such a transfer and should consult Northwest Asset Management prior to doing so.

Advisor participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC/NFA. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Advisor receives some benefits from TD Ameritrade through its participation in the program.

As disclosed above, Adviser participates in TD Ameritrade's institutional customer program and Adviser may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Adviser's participation in the program and the investment advice it gives to its Clients, although Adviser receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to 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 to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Adviser by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Adviser's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Adviser but may not benefit its Client accounts. These products or services may assist Adviser in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Adviser manage and further develop its business enterprise. The benefits received by Adviser or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, the firm endeavors at all times to put the interests of its clients first. Clients should be aware, however, there is a financial incentive by Adviser or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Adviser's choice of TD Ameritrade for custody and brokerage services.

Advisor also receives from TD Ameritrade certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment Advisors participating in the program. Specifically, the Additional Services include Tamarac.

TD Ameritrade provides the Additional Services to Advisor in its sole discretion and at its own expense, and Advisor does not pay any fees to TD Ameritrade for the Additional Services. Advisor and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

Advisor's receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to Advisor, TD Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, Advisor's Client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional Services Addendum with Advisor, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain the Additional Services from TD Ameritrade, Advisor may have an incentive to recommend to its Clients that the assets under management by Advisor be held in custody with TD

Ameritrade and to place transactions for Client accounts with TD Ameritrade. Advisor's receipt of Additional Services does not diminish its duty to act in the best interests of its Clients, including to seek best execution of trades for Client accounts.

ITEM 5 – ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

5a: Tiered Fee Schedule

Northwest Asset Management caters primarily to affluent individuals and their retirement accounts, family offices and family investment vehicles who seek an approach to capital appreciation by investing in established stocks, exchange traded funds, mutual funds and fixed income. Northwest Asset Management investment programs are also suitable for institutional investors such as pension and profit sharing plans, trust, estates and/or charitable organizations and corporations.

There is no account minimum. However, the Advisor may decline to accept Clients with smaller portfolios.

ITEM 6 – PORTFOLIO MANAGER SELECTION AND EVALUATION

6a: Selection of Managers

Northwest Asset Management is the Program sponsor as well as the portfolio manager.

6b: Related Persons

No related persons of Northwest Asset Management act as a portfolio manager of the Program.

6c: Supervised Persons

Northwest Asset Management IARs manage Client accounts on a discretionary basis. Please see Items 4b, 4c, 4d (Advisory Business), 6 (Performance-Based Fees and Side-By-Side Management), 8a (Methods of Analysis, Investment Strategies and Risk of Loss) and 17 (Voting Client Securities) of Part 2A of Form ADV.

ITEM 7 – CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

Since Northwest Asset Management is both the sponsor of the program and the portfolio manager, all information provided to Northwest Asset Management will be available to the portfolio manager.



ITEM 8 – CLIENT CONTACT WITH PORTFOLIO MANAGERS

Client access to Northwest Asset Management portfolio managers is not restricted in any way.

ITEM 9 – ADDITIONAL INFORMATION

Please see Item 9 (Disciplinary Information), Item 10 (Other Financial Industry Activities and Affiliations), Item 11 (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading), Item 13 (Review of Accounts), Item 14 (Client Referrals and Other Compensation), and Item 18 (Financial Information) of Part 2A of Form ADV.