Item 1: Cover Page
Part 2A Appendix 1 of Form ADV: Wrap Fee Program Brochure
March 2022

Wrap Fee Program

Sponsored by:

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Firm Contact:
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Chief Compliance Officer

This brochure provides information about the qualifications and business practices of Northwest Financial Advisors ("NWFA"). If clients have any questions about the contents of this brochure, please contact us at 703-810-1072 or ndavis@NWFLLC.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Authority. Additional information about our firm is also available on the SEC's website at www.adviserinfo.sec.gov by searching CRD #166769.

Please note that the use of the term "registered investment adviser" and description of our firm and/or our associates as "registered" does not imply a certain level of skill or training. Clients are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise clients for more information on the qualifications of our firm and our employees.

Item 2: Material Changes

NWFA is required to make clients aware of information that has changed since the last annual update to the Wrap Brochure ("Wrap Brochure") and that may be important to them. Clients can then determine whether to review the brochure in its entirety or to contact us with questions about the changes.

The following are the material changes made to our Wrap Brochure since our last annual amendment in March 2021. We included a discussion of mutual fund share class considerations and related conflicts of interest (Item 4). We included a discussion of the conflicts of interest when we recommend a retirement plan or account rollover (item 4).

Effective, January 1, 2019, NWFA has also discontinued the SWM II Wrap Program for new clients.

Item 3: Table of Contents

Item 4: Services, Fees & Compensation

We generally provide advisory services through programs sponsored by LPL Financial, LLC ("LPL Financial"), a registered investment adviser and broker-dealer. LPL Financial is independently owned and operated and not affiliated with us or Northwest Federal Credit Union. LPL Financial offers wrap-fee programs and non-wrap fee programs to clients.

Our firm sponsors a wrap fee program, which allows clients to pay a single fee for investment advisory services and associated custodial transaction costs. Transaction fees will be paid by our firm via individual transaction charges. Because our firm absorbs client transaction fees, an incentive exists to limit trading activities in client accounts. Custodial transaction costs, however, are not included in the advisory fee charged by our firm for non-wrap services, and are to be paid by the client to LPL Financial. Depending on the client's account or portfolio trading activity, clients may pay more for using our wrap fee services than they would for using our non-wrap services.

We do not charge our clients higher advisory fees based on their trading activity, but you should be aware that we may have an incentive to limit our trading activities in your account(s) because we are charged for executed trades. By participating in a wrap fee program, you may end up paying more or less than you would through a non-wrap fee program where a lower advisory fee is charged, but trade execution costs are passed directly through to you by LPL Financial.

LPL Financial's Strategic Wealth Management Program II ("SWM II") offers clients an asset management account that is directly managed by our firm's investment adviser representatives. Clients participating in SWM II accounts pay a single wrap fee for advisory services and associated custodial transaction costs. Clients participating in LPL Financial's Strategic Wealth Management Program ("SWM") pay an asset-based management fee and separate transaction costs. Please see our Firm Brochure for more information regarding SWM.

Our Wrap Advisory Services

Strategic Wealth Management Program II ("SWM II"):

As part of our SWM II service, a portfolio is created, consisting of individual stocks, bonds, exchange traded funds ("ETFs"), options, mutual funds and/or other investments. The client's individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Portfolios will be designed to meet a particular investment goal, determined to be suitable to the client's circumstances. Once the appropriate portfolio has been determined, portfolios are continuously and regularly monitored, and if necessary, rebalanced based upon the client's individual needs, stated goals and objectives.

Fees:

The maximum annual fee to be charged to the client's account(s) will not exceed 1.50%. The fee to be assessed to each account will be detailed in the client's signed advisory agreement or LPL Financial Account Application. Fees are billed on a pro-rata basis quarterly in advance based on the value of the account(s) on the last day of the previous quarter. Fees are negotiable and will be deducted from the account(s). Please note that fees will be adjusted for deposits and withdrawals made during the quarter. If accounts are opened during the quarter, the pro-rata advisory fees will be deducted during the next regularly scheduled billing cycle. As part of this process, Clients understand the following:

a) LPL Financial as the client's custodian sends statements at least quarterly, showing all disbursements for each account, including the amount of the advisory fees paid to our firm;
b) Clients provide authorization permitting LPL Financial to deduct these fees;
c) LPL Financial calculates the advisory fees for all fee schedules and deducts them from the client's account.

Other Types of Fees & Expenses:

In addition to our advisory fees above, clients may also pay holdings charges imposed by the chosen custodian for certain investments, charges imposed directly by a mutual fund, index fund, or exchange traded fund, which shall be disclosed in the fund's prospectus, mark-ups and mark-downs, spreads paid to market makers, fees for trades executed away from custodian, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. Our firm does not receive a portion of these fees.

When providing services, we use mutual funds that the custodian makes available. Mutual funds offer multiple share classes which can be titled, for example, as Class A, Class I, institutional, fee-based, investor, retail, service, administrative or platform share classes. The mutual funds are no-load or load-waived share classes and therefore not subject to any upfront sales charge. However, different mutual fund share classes have different expense structures (i.e., some higher and some lower) and in some cases the mutual fund share classes pay a 12b-1 fee, administrative fee, recordkeeping fee, and/or revenue sharing fee to the custodian. You should understand that the mutual fund share class we select for purchase in your account in some cases will not be the least expensive share class that the mutual fund makes available. We select mutual fund share classes based on a variety of different considerations, including but not limited to: the advisory fee that is charged; the amount of the transaction charges applied to the purchase or sale of the mutual fund; the anticipated frequency of transactions; the holding period for the mutual funds; the overall cost structure of the advisory program; share class eligibility requirements; and potential tax consequences. You should understand that another financial services firm may offer the same mutual fund at a lower overall cost to the investor than is available through accounts.

Termination and Refunds

Either party may terminate the signed advisory agreement at any time. Upon receipt of your notice of termination, LPL Financial will process a pro-rated refund of the unearned portion of the advisory fees charged in advance at the beginning of the quarter.

Retirement Rollovers

There is a conflict of interest for individuals that currently invest in an employer-sponsored retirement plan or individual retirement account that are considering a roll out of assets from the retirement plan or account. A conflict of interest exists because we will be compensated only if the individual rolls over the proceeds into an IRA that we then manage. As a result, it can be construed that we have a financial incentive to recommend one option over another. Therefore, the individual should include in his/her decision making process, a thorough review of all options available; for example (i) remain invested int eh current retirement plan or account (if available), (ii) transfer assets to a new employer-sponsored retirement plan (if available), (iii) transfer assets to an IRA with a financial institution, or (iv) withdraw assets directly, which would be subject to federal and applicable state and local taxes and possibly subject to the IRS penalty of 10% depending upon the age of the individual.

Wrap Fee Program Recommendations:

Effective, January 1, 2019, NWFA discontinued the SWM II Wrap Program for new clients.

Item 5: Account Requirements & Types of Clients

We do not impose a minimum account size to become an advisory client; however certain programs offered by LPL Financial and other broker dealers may require a minimum amount of investable assets to open and maintain an account. A minimum initial account value of $25,000 was suggested for our SWM II service. In certain instances, we permitted a lower minimum account size.

Our firm has the following types of clients:

- Individuals and High Net Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Pension and Profit Sharing Plans;
- Corporations, Limited Liability Companies and/or Other Business Types

Item 6: Portfolio Manager Selection & Evaluation

Selection of Portfolio Managers:

Our firm's investment adviser representatives ("IARs") act as portfolio manager(s) for this wrap fee program. A conflict arises in that other investment advisory firms may charge the same or lower fees than our firm for similar services. Our IARs are subject to individual licensing requirements as imposed by state securities boards. Our firm is required to confirm or update each IAR's Form U4 on an annual basis. IAR supervision is conducted by our Chief Compliance Officer or management personnel.

Our firm's IARs will regularly review the Account and implement changes that the IAR deems appropriate. An official account review will be conducted and documented at least annually. The nature of these reviews is to learn whether client accounts are in line with their investment objectives and appropriately positioned.

Advisory Business:

Information about our wrap fee services can be found in Item 4 of this brochure. Effective, January 1, 2019, NWFA discontinued the SWM II Wrap Program for new clients

Each SWM II client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account.

Performance-Based Fees & Side-By-Side Management:

Our firm does not charge performance-based fees.

Methods of Analysis, Investment Strategies & Risk of Loss:

We use a long term investment philosophy and provide individual advice based on each client's risk tolerance. We review our client's long-term and short-term financial needs and objectives, and risk tolerance or risk-aversion. Investment recommendations are based on information provided to us by our clients, financial records, responses to our questionnaires or personal interviews. We design each client's investment strategy based on a thorough evaluation of the individual goals and objectives of each client. After analyzing a client's financial situation and understanding their individual investment objectives, we will recommend investment programs sponsored by third party financial institutions including LPL Financial. Following client approval, we will implement each aspect of the strategy, as appropriate. Account supervision is guided by the stated objectives of the client, and all managed accounts will be maintained with an independent custodian broker-dealer.

Our investment strategy involves recommending an asset allocation mix to our clients based on their individual needs by selecting an appropriate mix of mutual funds, exchange traded funds, equities, fixed income or Portfolio Managers to manage your assets. We monitor the asset allocation mix and performance of the investments, and make periodic adjustments to the account, as necessary to meet client objectives. In the event we recommend Portfolio Managers, we will monitor manager performance and various investment markets to determine if the allocation among investment options is appropriate or if changes to those options are necessary due to changes in the market or client's needs.

The description provided above is a brief overview of the investment category and is not intended to be complete. Investing in securities is inherently risky. An investment in individual securities or in a portfolio of securities could lose money. We cannot give any guarantee that we will achieve your investment objectives or that any client will receive a return of its investment.

The description below is an overview of the risks entailed in our investment strategy and is not intended to be complete. All investing involves a risk of loss and the investment strategy offered by us could lose money over short or long periods. Performance could be hurt by a number of different market risks including but not limited to:

Stock Market Risk. Stock market risk, which is the chance that stock prices overall will decline. An investment in individual securities or in a portfolio of securities could lose money. We cannot give any guarantee that we will achieve the client's investment objectives or that any client will receive a return of its investment. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.

Alternative Strategy Mutual Funds. Certain mutual funds invest primarily in alternative investments and/or strategies. Investing in alternative investments and/or strategies and involves special risks, such as risks associated with commodities, real estate, leverage, selling securities short, the use of derivatives, potential adverse market forces, regulatory changes and potential illiquidity. There are special risks associated with mutual funds that invest principally in real estate securities, such as sensitivity to changes in real estate values and interest rates and price volatility because of the fund's concentration in the real estate industry.

Exchange-Traded Funds (ETFs). ETFs are typically investment companies that are legally classified as open end mutual funds or UITs. However, they differ from traditional mutual funds, in particular, in that ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly-traded companies. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and the ask price is often referred to as the "spread." The spread varies over time based on the ETF's trading volume and market liquidity, and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as an investment company under the Investment Company Act of 1940 like traditional mutual funds, some ETFs, in particular those that invest in commodities are not registered as an investment company.

Leveraged and Inverse ETFs, ETNs and Mutual Funds. Leveraged ETFs, ETNs and mutual funds, sometimes labeled "ultra" or "2x" for example, are designed to provide a multiple of the underlying index's return, typically on a daily basis. Inverse products are designed to provide the opposite of the return of the underlying index, typically on a daily basis. These products are different from and can be riskier than traditional ETFs, ETNs and mutual funds. Although these products are designed to provide returns that generally correspond to the underlying index, they may not be able to exactly replicate the performance of the index because of fund expenses and other factors. This is referred to as tracking error. Continual re-setting of returns within the product may add to the underlying costs and increase the tracking error. As a result, this may prevent these products from achieving their investment objective. In addition, compounding of the returns can produce a divergence from the underlying index over time, in particular for leveraged products. In highly volatile markets with large positive and negative swings, return distortions are magnified over time. Because of these distortions, these products should be actively monitored, as frequently as daily, and may not be appropriate as an intermediate or long-term holding. To accomplish their objectives, these products use a range of strategies, including swaps, futures contracts and other derivatives. These products may not be diversified and can be based on commodities or currencies. These products may have higher expense ratios and be less tax-efficient than more traditional ETFs, ETNs and mutual funds. LPL imposes limitations on accounts purchasing leveraged or inverse ETFs, ETNs, and mutual funds.

Please Note: Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, are appropriately diversified in your investments, and ask any questions you may have.

Voting Client Securities:

As a matter of policy, we disclaim any responsibility for voting client securities. Clients may contact us for advice or information about a particular proxy vote but we do not exercise proxy voting authority over client securities and should not be designated by custodians as the party to receive information on voting client proxies. The obligation to vote client proxies rests with the client.

Item 7: Client Information Provided to Portfolio Manager(s)

All SWM II accounts are managed by our in-house licensed IARs. The IAR selected to manage the client's account(s) or portfolio(s) will be privy to the client's investment goals and objectives, risk tolerance, restrictions placed on the management of the account(s) or portfolio(s) and relevant client notes taken by our firm. Please see our firm's Privacy Policy for more information on how our firm utilizes client information.

Item 8: Client Contact with Portfolio Manager(s)

Clients are always free to directly contact their IAR or Portfolio Manager with any questions or concerns about their portfolios or other matters.

Item 9: Additional Information

Disciplinary Information

There are no legal or disciplinary events that are material to the evaluation of our advisory business or the integrity of our management.

Financial Industry Activities & Affiliations

We are a separately capitalized company that is indirectly owned by Northwest Federal Credit Union (the "Credit Union"). We will have relationships and clients may utilize the services of certain entities affiliated with the Credit Union. The particular services involved will depend on the types of services offered by the affiliated company. Affiliated companies will be engaged on an arms-length basis for services it provides our client. Services provided by affiliated companies may include, without limitation, banking, tax advice, insurance advice, estate planning, retirement planning, real estate purchases, and other specialized advisory services.

<u>Broker Dealer</u>
Northwest Financial Group LLC ("NWFG") is a member of the Financial Industry Regulatory Authority ("FINRA"). NWFG receives commission-based compensation from LPL Financial for the sale of investment products. The compensation is earned by IARs in their capacity as registered representatives of LPL Financial. If a client desires to purchase investment products offered by LPL Financial through an IAR acting as a registered representative of LPL Financial then LPL Financial and NWFG will receive brokerage-related compensation for those services, such as commissions and/or trail fees. Information regarding the amount of brokerage compensation will be provided to

the client before the transaction is completed. Clients are advised that investment products provided through LPL Financial are available from other financial institutions.

LPL Financial is a broker-dealer registered with FINRA and the SEC. As a broker-dealer, LPL Financial transacts business in various types of securities, including mutual funds, stocks, bonds, commodities, options, private and public partnerships, variable annuities, REITs and other investment products. Our IARs are licensed as registered representatives of LPL Financial, and will receive commissions for selling investment products to clients. A conflict of interest exists since an IAR has an incentive to recommend products that pay commissions. IARs do not receive commissions when providing investment advisory services through us.

Credit Union
Northwest Federal Credit Union offers traditional credit union services and products to its members, including checking and savings accounts and consumer loans. Employees of the Credit Union may refer banking customers who are in need of investment advisory services to us.

Insurance Company
NW Insurance Agency LLC ("NWIA") is a licensed insurance agency offering insurance products. IARs may be licensed as insurance agents of NWIA and receive commission when selling insurance products. The receipt of commissions on the sale of insurance products may create an incentive for the IAR. Whether or not to use the insurance services from or through our affiliated Insurance Agency is at the discretion of the client. To the extent that advisory clients use the insurance services from or through our IARs, commissions will be paid to them as an appropriately licensed agent. Clients are advised that similar insurance services are available elsewhere.

Code of Ethics, Participation or Interest in Client Transactions & Personal Trading

Code of Ethics
We have adopted a written Code of Ethics (the "Code") predicated on the principal that we owe a fiduciary duty to our clients. The Code establishes guidelines for professional conduct and personal trading procedures, including certain pre-clearance and reporting obligations.

We require pre-clearance before purchasing an IPO or limited offering (i.e., private placement); require periodic reporting of personal securities transactions and all holdings; and require prompt internal reporting of Code violations to our Chief Compliance Officer. A copy of our Code is available upon request by contacting our Chief Compliance Officer at 703-810-1072.

Our employees may purchase, sell, or hold the same securities that our recommended to clients. Trades by employees are executed in a manner consistent with our fiduciary obligations to our clients. Employee trades must not be timed to precede orders placed for any client, nor should trading activity be so excessive as to conflict with the employee's ability to fulfill daily job responsibilities. All employees are required to sign a statement acknowledging their understanding of the rules, which are designed to prevent potential compliance-related concerns and mitigate potential conflicts, on an annual basis. The Chief Compliance Officer monitors employee trading, relative to client trading, to ensure that employees do not engage in improper transactions.

Review of Accounts

We review the performance of managed accounts on a continuous, ongoing basis. On a quarterly basis, we review the account's rebalancing activity, review the fees charged to the account, review trading in the account against any client-directed restrictions, and review the performance of the account. We meet with the client at least annually or more frequently to review any changes in their financial goals or profile which would require any changes in their asset allocation.

Clients receive account statements directly from the custodian on at least a quarterly basis.

Other Compensation

LPL Financial

NWFA and/or its Dually Registered Persons may be incented to join and remain affiliated with LPL Financial and to recommend that clients establish accounts with LPL Financial through the provision of Transition Assistance (discussed in Item 12 of our Firm Brochure). LPL Financial also provides other compensation to NWFA and its Dually Registered Persons, including but not limited to, bonus payments, repayable and forgivable loans, stock awards and other benefits.

The receipt of any such compensation creates a financial incentive for your representative to recommend LPL Financial as custodian for the assets in your advisory account. We encourage you to discuss any such conflicts of interest with your representative before making a decision to custody your assets at LPL Financial.

We do not compensate any person or company, which is not controlled by or is under common control of NWFA, for client referrals nor do we offer or receive sales awards or prizes for providing investment advice to clients.

Other Third Parties

We may occasionally co-sponsor educational seminars or receive marketing support from unaffiliated investment companies or mutual funds. Our clients do not pay more for investment transactions effected and/or assets maintained as result of this arrangement. There is no commitment made by us to any other institution as a result of this arrangement.

Client Referrals

We do compensate the Credit Union for employees that refer banking customers that are in need of investment advisory services to us. Those referrals must meet certain qualifications, such as:

- Be immediately and genuinely interested in a NWFA product or service;
- Need a full service advisor, not a self-directed product or service;
- Have the means to purchase a NWFA product or service; and
- Keep their scheduled meeting with the IAR.

Referrals cannot, under any circumstances, be qualified upon the result of a meeting or conversation. We are prohibited from qualifying Credit Union referrals based on whether or not an account was opened, the size of any resulting transaction, or the volume of assets gathered. For each referral that satisfies all of the above qualifications NWFA pays the Credit Union up to $25.

Financial Information

Our firm is not required to provide financial information in this Brochure because:

- Our firm does not require the prepayment of more than $1,200 in fees when services cannot be rendered within 6 months.
- Our firm does not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.

Our firm has never been the subject of a bankruptcy proceeding.