

**Northwest Investment Advisors, Inc.**  
**Form ADV Part 3 CRS Customer Relationship Summary**

**Broker Dealer**  
**December 12, 2022**

Northwest Investment Advisors, Inc. (NWIA) is registered with the Securities and Exchange Commission as a Broker Dealer and is a member of the Financial Industry Regulatory Authority (FINRA) and registered with the State of Washington and as an Investment Adviser. NWIA offers both Brokerage and Investment Advisory Services. Brokerage and investment advisory services differ and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/crs), which also provides educational material about broker dealers, investment advisers, and investing. We offer Individual, Joint, Custodial, DVP, Estate and Trust, Partnership, Corporate, Individual Retirement, and other types of retirement accounts in both Brokerage and Advisory Accounts.

**Types of Relationships and Services:** What investment services and advice can you provide me?

If you open a brokerage account, you will pay us a **transaction-based fee**, generally referred to as a commission, *every time you buy or sell and investment*. Our principal services are our abilities to buy and sell investments for you in your account. You may select investments or we may recommend investments for your account, but the ultimate investment decision for your investment strategy and the purchase and sale of investments will be yours. We can offer you additional services to assist you in developing and executing your investment strategy and monitoring the performance of your account but you might pay more. We do not monitor your accounts on an ongoing basis. Statements will be delivered by the custodian on a monthly or quarterly basis either in paper or electronic form. Investments offered include but are not limited to Stocks (Equities), Fixed Income (bonds), Mutual Funds (closed and open end), Exchange Traded Funds (ETF), Annuities and REITs. We do not offer proprietary products. **We do not have a minimum account size for brokerage accounts.**

**Conversation Starters - Questions to ask your financial professional**

1. Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? Why or why not?
2. How will you choose investments to recommend to me?
3. What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?
4. What types of accounts can you, as my financial professional, service?

**Fees, Costs, Conflicts, and Standard of Conduct:** What fees will I pay? What are your legal obligations to me when providing recommendations? How else does your firm make money and what conflicts of interest do you have? How do your financial professionals make money?

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. ***When we provide you with a recommendation 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: ***Transaction-based fees.*** You will pay us a fee (commission) **each time** you buy or sell an investment. This is based on the specific transaction amount. With Stocks and ETFs this is usually a separate commission (up to 2%). With bonds, this fee might be part of the price that you pay for the investment called a **mark-up** (buy) or **mark-down** (sell) up to a maximum of 3%. With open end Mutual Funds, the **load** (fee) on a purchase (buy) typically reduces the value of your investment. Mutual Funds generally charge a maximum of 5.75% which is then reduced at certain dollar levels called breakpoints. Commissions are typically not charged on sales of open-end Mutual Funds. The more transactions you have (buys or sells) the more you pay in commissions. Some investments such as Mutual Funds and Variable Annuities impose additional fees that

will reduce the value of your investment over time. Also, with certain investments such as Variable Annuities, you may have to pay fees such as **surrender charges** to sell the investment. When we provide any service to you, we must treat you fairly and comply with a number of specific obligations. Unless we agree otherwise, *we are not required to monitor your portfolio or investments on an ongoing basis*. Our fees vary and can be negotiable. The amount you pay will depend on how much you buy or sell, what type of investment you buy or sell, and what kind of account you have with us. Our firm does not charge additional fees such as paper delivery, confirmations, custodial, maintenance, or inactivity fees. These fees may be charged by the custodian of your account. Investors are encouraged to utilize electronic delivery of these items. Investors will be charged a handling fee and ticket charge for each individual transaction. Ticket fees: \$16 for Equity, Exchange Traded Funds, and Closed End Funds buys and sells; \$20 for Mutual Fund buys and sells; and \$30 for Fixed Income buys and sells. Handling fee: \$3 for all transactions. Our representatives are paid a portion of the commissions generated. The more buying and selling done in your account, the higher their compensation. This may motivate the firm to encourage the investor to trade more often. Representatives may have a conflict of interest to recommend higher load Mutual Funds over lower load Funds to increase their compensation. As a third party, Mutual Fund companies might provide ongoing service fees to our firm to sell those specific products to you. We have an incentive to encourage you to buy these products for your account. We do not buy investments from you or sell investments to you from our own firm accounts. We do not have proprietary products that incentivize our representatives to sell those products. From a cost perspective, you may prefer a transaction-based fee if you do not trade often or if you plan to buy and hold investments for longer periods of time. The firm does not provide its representatives with non-cash compensation. Additional information can be found in our Regulation BI Disclosure on our website or from your financial professional.

**Conversation Starters - Questions to ask your financial professional**

1. 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?
2. How might your conflicts of interest affect me, and how will you address them?

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

Yes, our firm and our representatives have legal and disciplinary events. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

**Conversation Starters - Questions to ask your financial professional**

1. As a financial professional, do you have any disciplinary history?
2. For what type of conduct?

**Additional Information:** We encourage you to seek out additional information.

- For additional information about our financial professionals and services, visit [Investor.gov](http://Investor.gov) or FINRA's Broker Check [BrokerCheck.Finra.org](http://BrokerCheck.Finra.org) and your account agreement. For additional information on advisory services, see our Form ADV Part 2A Brochure on IAPD, on [Investor.gov/CRS](http://Investor.gov/CRS) and any brochure or supplement your financial professional provides.
- To report a problem to the SEC, visit [Investor.gov](http://Investor.gov) or call the SEC's toll-free investor assistance line at 800-732-0330. To report a problem to FINRA visit their website [finra.org/contact-finra](http://finra.org/contact-finra) or call their investor helpline 301-590-6500. If you have a problem with your investments, account, or financial professional, contact Sean Grubb directly at 509-252-4140 x13.
- If you would like additional up-to-date information or a copy of this disclosure, please Sean Grubb at 509-252-4140 x13.

**Conversation Starters - Questions to ask your financial professional**

1. Who is my primary contact person?
2. Is he or she a representative of an investment adviser or a broker-dealer?
3. Who can I talk to if I have concerns about how this person is treating me?