



ITEM 1 – COVER PAGE

Part 2 A of Form ADV: Firm Brochure

Central Registration Depository (“CRD”) Number: 172429

Pacific Northwest Asset Management, LLC
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Seattle, WA 98121
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<http://pnw-assetmanagement.com>

March 19th, 2020

This Brochure provides information about the qualifications and business practices of Pacific Northwest Asset Management, LLC (hereinafter “PNW Asset Management”). If you have any questions about the contents of this Brochure, please contact us at 206-259-0575 or via email at smcgehee@pnwam.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. Pacific Northwest Asset Management, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information which helps you determine to hire or retain an Adviser. Additional information about Pacific Northwest Asset Management, LLC also is available on the Securities and Exchange Commission’s website at www.adviserinfo.sec.gov.

ITEM 2 - MATERIAL CHANGES

This section only discusses material changes since the last update which most recently occurred in March of 2019.

Material Changes Since the Last Update:

Assets under Management: As of January 31st, 2020, PNW Asset Management managed \$48,077,000 of client assets on a discretionary basis.

Within 90 days of the close of our business' calendar fiscal year, PNW Asset Management will ensure that all current clients receive our Brochure which includes a Summary of Material Changes. Our Brochure with the Summary of Material Changes is also included with our Brochure on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Pacific Northwest Asset Management, LLC is 172429.

We may further provide other ongoing disclosure information about material changes as necessary and will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Full Brochure Availability

Currently, our Brochure may be requested by contacting Stuart McGehee, PNW Asset Management's Chief Compliance Officer, at (206) 259-0575 or by email to smcgehee@pnwam.com. Our Brochure is also available in the footer of our website at pnw-assetmanagement.com.

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ITEM 4 - ADVISORY BUSINESS

Firm Description

Pacific Northwest Asset Management, LLC (hereinafter “PNW Asset Management”), is a Washington State Limited Liability Company that engages in the business of investment management services principally for individuals, trusts, estates and charitable organizations. PNW Asset Management began offering investment advisory services in the 4th calendar quarter of 2014. PNW Asset Management specializes in implementing asset class portfolios for clients. Limited financial planning is provided to clients of the firm. Please be aware that a conflict of interest exists between PNW Asset Management and financial planning clients, therefore the client is under no obligation to act upon PNW Asset Management’s recommendations. Furthermore, if the client elects to act on any of PNW Asset Management’s recommendations, the client is under no obligation to effect the transactions through PNW Asset Management. PNW ASSET MANAGEMENT DOES **NOT** PARTICIPATE IN ANY WRAP FEE PROGRAM.

Ownership

PNW Asset Management is owned by Stuart C. McGehee, President, Chief Manager, and Chief Compliance Officer and Michael B. Bowers, CFA, CPA, Principal.

Types of Advisory Services

PNW Asset Management manages client investment portfolios using asset class investing. Asset class investing involves developing client portfolio allocations of different asset class categories. The portfolio allocation, or the mix of asset class categories, depends on each client’s unique circumstances. PNW Asset Management achieves target portfolio allocations by investing in mutual funds or Exchange Traded Funds (ETFs). Mutual fund or ETF managers select the publically traded companies in which they invest based on, for example, the size of companies, whether the companies are considered growth or value companies, or even what part of the world companies conduct business. Our allocations also include cash and bonds. Cash and bonds are used to provide cash flow and reduce portfolio volatility. PNW Asset Management has developed a group of asset class investment allocations that are used for clients to account for different client risk tolerances and needs.

In addition to focusing on asset classes, we also focus on the tax efficiency of the portfolio. Tax efficiency is created many ways. In fact, our method of investing is tax efficient because we use low-turnover investment securities. Another way to create tax efficiency is to harvest capital losses from the portfolio when a negative market period is present. The capital losses can then be used to offset capital gains in the current or future periods.

Accounts managed by PNW Asset Management are held by third party custodians who maintain the custody of the assets. Clients will receive reports from both PNW Asset Management and the third party custodian, allowing clients to easily compare the balances reported by PNW Asset Management to the balance reported by the third party custodian. Having your accounts with a third party custodian helps to protect your assets from misappropriation.

Some of our clients might also have assets that we do not manage, such as stock in the company they work for or individual stocks they do not want to sell. We assist clients with managing and monitoring those assets by opening unmanaged accounts. Having the assets in an account that we are attached to allows us to account for trading activity and assist in the liquidation of the asset. Unmanaged accounts are not included in the total asset balance used to calculate our fee for services, and we do not have discretionary authority on any unmanaged account. We provide this service as a convenience to our clients.

The selection of one of our standard portfolio allocations is specific to each client, but the selections within each asset class are not. We do not accept any restrictions on investing in certain types of securities or asset classes unless there is a very good rationale for doing so. An example of a change we would make is to exclude Real Estate Investment Trusts for a real estate investor who has substantial exposure to commercial real estate outside of the portfolio we manage. Any change of this nature would be agreed to by both parties and memorialized in writing. ***PNW ASSET MANAGEMENT DOES NOT PARTICIPATE IN ANY WRAP FEE PROGRAMS!***

Financial Planning Services

We provide either comprehensive financial planning or hourly consultation services to individuals, families and other clients regarding the management of their financial resources based upon an analysis of the client's current financial situation, goals, and objectives. Generally, such comprehensive financial planning and hourly consulting services will involve preparing a comprehensive financial plan or rendering a financial consultation for clients based on the client's financial goals and objectives. This planning or consulting may encompass one or more of the following areas: Investment Planning, Retirement Planning, Estate Planning, Charitable Giving Planning, Education Funding Planning, Corporate and Personal Tax Planning, Mortgage/Debt Analysis, Insurance Death Benefit Analysis, Lines of Credit Evaluation, and General Personal Financial Planning. Our comprehensive financial plans or financial consultations rendered to clients usually include general recommendations for a course of activity or specific action(s) to be taken by the clients. The financial planning might, for example, involve assisting with the analysis of specific questions regarding whether to pay for items with portfolio funds or to finance those items with debt. For example, "Should I payoff the mortgage on my house?" Through Financial Planning, we also help clients understand whether or not they are spending too much money.

Educational Seminars/Workshops

PNW Asset Management may occasionally conduct free educational seminars or workshops. These free educational seminars/workshops will enable PNW Asset Management to contribute to financial literacy in the Pacific Northwest. PNW Asset Management might also accept invitations to speak to various groups.

Client Assets Under Management

As of January 31st, 2020, PNW Asset Management managed \$48,077,000 of client assets on a discretionary basis.

ITEM 5 – FEES AND COMPENSATION

We are a fee only investment advisory firm. We are compensated for our investment management services based on the market value of the accounts and assets we manage. Typically, the investment management fee is only assessed on the asset class portfolio that we have implemented. The assets included in the investment management fee calculation may or may not include assets held in company plans (e.g. 401(k), 403(b), deferred comp, etc.) that are managed as part of the overall portfolio. The investment management fee structure as an annual percentage of the assets under management for our services is as follows:

First \$ 500,000 1.00%

Next \$ 500,000 0.95%

Next \$1,000,000 0.90%

Next \$1,000,000	0.80%
Next \$1,000,000	0.70%
Next \$1,000,000	0.60%
Next \$1,000,000	0.50%
Next \$1,000,000	0.40%
Next \$1,000,000	0.30%
All Else	0.20%

The percentages shown are annual percentages. Investment management fees are calculated monthly with 1/12th of the annual calculation due in arrears each month. Investment management fees are based on the average daily managed market value of the account for the month. We may also quote a flat percentage investment management fee that varies from the above schedule. A flat annual percentage investment management fee of 0.75%, for example, would apply to a client's entire amount of assets under management. Conversely, the above fee schedule is graduated and varies depending upon certain break points in the amount of a client's assets under management. We wish to retain the ability to negotiate any and all reasonable fee arrangements with clients who are considering hiring us. For example, we may wish to negotiate a discounted flat percentage investment management fee for a charity's endowment fund. Lower fees for comparable services may be available from other sources.

We reserve the right to modify the above investment management fee schedule. If we were to modify the above investment management fee schedule, clients would need to approve, in writing, any changes to their fee schedule BEFORE the fee change were to become effective. There is no acceptance or termination charge other than the cost of registration and delivery of securities involved, and PNW Asset Management receives no part of fees or costs associated with registration and delivery of securities.

Investment management fees are collected in arrears on a monthly basis and are deducted from the client's account held at a third party custodian. An invoice detailing the formula used to calculate the fee, the amount of assets under management upon which the fee is based, and the time period covered by the fee is provided to clients each month unless the client either opts out of electronic delivery or does not have email access, in which case we mail a copy of the invoice to the client.

Termination – Our clients may terminate their relationship with us at any time with no advance notice and we may terminate our relationship with the client upon thirty (30) days written notice of such termination. In the event of termination, our compensation as set forth in the above Schedule of Fees shall be prorated for the time that the Agreement was in effect. Clients may cancel their engagement with us without penalty within five (5) business days after the date client entered into an Agreement with us. As mentioned above, there is no termination fee. For purposes of calculating earned fees for Financial Planning clients who terminate, all work performed by us up to the point of termination shall be calculated based on the percentage completion of the agreed upon financial planning services. Any work performed up to the cancellation date will be delivered to the client upon payment of the earned fee.

PNW Asset Management's investment management fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which will be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities

transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to PNW Asset Management's fee, and PNW Asset Management does not receive any portion of those commissions, fees, and other costs.

Financial Planning Service Fees:

PNW Asset Management charges \$2,500 for a stand-alone, comprehensive Financial Plan that considers all aspects of a client's financial situation. The fee is based on approximately 10 hours of expected time to create, present, and provide the Financial Plan. PNW Asset Management may negotiate a different fee with an individual client based on the scope of financial planning services to be delivered. Financial planning fees may be modified (lowered) or waived at the sole discretion of PNW Asset Management. PNW Asset Management is required to provide advisory clients with written billing information which must contain the fee(s), the formula used to calculate the fee(s), and the time period covered by the fee(s). This written billing information must be delivered to the client each time the investment adviser charges a fee.

Hourly Fees:

For a \$150 hourly fee billed in 15 minute increments, clients may hire PNW Asset Management for non specific, or limited scope, financial planning, research, and consultation services. PNW Asset Management is required to provide advisory clients with written billing information which must contain the fee(s), the formula used to calculate the fee(s), and the time period covered by the fee(s). This written billing information must be delivered to the client each time the investment adviser charges a fee.

ITEM 6 - PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

PNW Asset Management does not charge any performance-based fees (fees based on a share of capital gains on, or capital appreciation of, the assets of a client).

ITEM 7 - TYPES OF CLIENTS

PNW Asset Management provides portfolio management services to individuals, high net worth individuals, and trusts.

PNW Asset Management has a \$2,500 minimum annual fee.

ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

PNW Asset Management primarily uses Strategic Asset Allocation (SAA) to manage client portfolios. According to Managing Investment Portfolios, the CFA Institute defines Strategic Asset Allocation as:

"... an integrative element of the planning step in portfolio management. In strategic asset allocation, an investor's return objectives, risk tolerance, and investment constraints are integrated with long-run capital market expectations to establish exposures to...asset classes. The aim is to satisfy the investor's investment objectives and constraints."

As such, PNW Asset Management does not engage in attempting to "time" financial markets since it has been shown that few, if any, speculators have been consistently successful in this endeavor. Instead, PNW Asset Management applies the well known results of academic research conducted by William Sharpe, Harry Markowitz, and Gene Fama/Kenneth French that indicates that long-run capital market returns come from exposure to various risk premiums including the risk-free rate, the equity premium, the value

stock premium, and the small cap stock premium. A broadly and globally diversified portfolio is expected to provide optimum long-term results intended to maximize the risk-adjusted return.

PNW Asset Management constructs portfolios using only approved asset classes which may include the following:

Cash

Short term fixed income

Intermediate term fixed income

Inflation protected fixed income

Domestic large and small cap equities

Foreign large and small cap equities

Foreign emerging market equities

Real estate investment trusts (REITs)

PNW Asset Management uses a combination of mutual funds and exchange traded funds (ETFs) to gain the necessary exposure to each asset class. Fund managers are evaluated through a combination of various quantitative and qualitative criteria which may include the following:

Investment philosophy and approach to the selection of securities (in order of importance):

Expense Ratio

Turnover and its impact on after-tax returns

Style purity

Size of fund as measured by assets in the fund

And sometimes years of tenure of the manager(s)

Currently, PNW Asset Management does not make use of managed futures, hedge funds, privately-held real estate, or precious metals as separate asset classes per se. PNW Asset Management may use these or other alternative asset classes in the future if it can be reliably demonstrated that they produce returns that can be accurately modeled through exposure to proven risk premiums. Also, PNW Asset Management does not make specific use of currency hedges, swaps, forwards or futures contracts although the individual fund managers may make use of some of these derivatives as necessary to gain specific market exposure in a timely manner. PNW Asset Management does not actively take short positions against specific securities.

Investing in securities involves risk of loss that clients should be prepared to bear.

Investment in bonds, whether through individual bonds, mutual funds or ETFs, carries with it several risks. One risk is income risk, the risk that interest rates will decline and income from the bonds will decline. Another risk is interest rate risk, the risk that bond prices will decline because of rising interest rates. Security selection risk or manager risk is the risk that poor security selection will cause the bonds to underperform. Credit risk is also present. If the credit rating of the issuer declines, it will result in a decrease in bond value.

Investment in equity mutual funds and ETFs carries with it a number of different risks. The risk most people understand is Market Risk. Even a long-term investment approach cannot guarantee a profit. Economic, political, and issuer specific events will cause the market value of individual companies, and the funds that hold them, to fluctuate.

Because the values will fluctuate there is the risk that you will lose money. Another risk includes the possible use of derivatives in the mutual fund or ETF. A derivative is a security whose value is derived from that of other securities or indices. Futures contracts are an example of a derivative. Derivative securities are exposed to a variety of risks including: liquidity, interest rate, market, credit and management risks and the risk of improper valuation. Changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index, and the portfolio could lose more than the principal amount invested. Securities lending is another risk that may be present. Securities lending involves the risk that the borrower of the securities may fail to return the securities in a timely manner or at all. As a result, the fund may lose money and there could be a delay in recovering the loaned securities. In the meantime, losses could be incurred due to the collateral falling in value.

More detailed information about specific risks is contained in the prospectus for each of the investment choices.

ITEM 9 - DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of PNW Asset Management or the integrity of PNW Asset Management's employees.

We do not have any legal or disciplinary information or events to disclose in response to this item.

ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

PNW Asset Management nor any of its management persons are registered, or have applications pending to register, as a broker-dealer or a registered representative of a broker-dealer. PNW Asset Management nor any of its management persons are registered, or have applications pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities. PNW Asset Management does not select other advisers for its clients.

Stuart C. McGehee is a minority owner of National Financial Strategy Group, LLC, (hereinafter "National FSG"), a Tennessee Limited Liability Company. National FSG handles the licensing, marketing, sales, and support of a proprietary financial planning software tool called the Cashflow Fingerprint ("CFF") to other wealth managers. The CFF assists Advisers in helping their clients understand what their clients' financial futures might look like given various financial assumptions. The software has been copyrighted with the United States Copyright Office. Using the CFF, Advisers' clients can compare the results of various financial alternatives and make an informed decision. The software uses asset class investing and looks back at historical quarterly rolling periods of history. Clients have found the software immensely helpful in making decisions about their savings, retirement, benefits, lifestyle, etc. The authors of the CFF continue to make changes to the model to make it more flexible. National FSG makes the CFF model available to PNW Asset Management for use with their clients. The availability of the model allows PNW Asset Management to determine the amount of risk (quantity of equities) clients might need to have in their portfolio in order to have acceptable historical results. While history is not a predictor of the future, it is a broadly accepted industry metric we use to determine the potential impact of decisions and to model the variability of returns over time. The goal is for clients to take no more risk within an investment portfolio than is necessary. This relationship has proven to be beneficial to clients of the firm.

Because the CFF is licensed to other independent, non-affiliated wealth managers, we believe there is no conflict of interests with PNW Asset Management clients.

Life Insurance and Health Insurance Sales and Service.

Michael Bowers has in the past sold life and health insurance policies which created conflicts of interests at the time. He is no longer engaged in this line of business and spends none of his time on insurance related activities.

Because Mr. Bowers is no longer engaged in the insurance business, we believe there is no conflict of interests with PNW Asset Management clients.

PNW Asset Management does not operate an accounting business nor does it have an affiliation with one. We hope you can, therefore, conclude that we do not have signatory authority related to the foregoing.

ITEM 11 - CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS & PERSONAL TRADING

PNW Asset Management has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at PNW Asset Management must acknowledge the terms of the Code of Ethics annually, or as amended.

The investment methodology employed by PNW Asset Management, asset class investing, creates a situation where PNW Asset Management and or its employees will own the same investment choices that are recommended to clients. Those investments are on an approved investment list maintained by Stuart C. McGehee, President and Chief Manager of PNW Asset Management. PNW Asset Management's employees and persons associated with PNW Asset Management are required to follow PNW Asset Management's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of PNW Asset Management and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for PNW Asset Management's clients. PNW Asset Management does not, nor does any related person, recommend to clients or buys and sells for clients' accounts investments in which the adviser or related persons has a material financial interest. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of PNW Asset Management will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Employee trading is monitored under the Code of Ethics to reasonably prevent conflicts of interest between PNW Asset Management and its clients.

PNW Asset Management employees and persons associated with PNW Asset Management are also prohibited from trading the stock of a group of companies where employees of those companies are clients of PNW Asset Management. This policy is in effect to avoid any possible appearance of trading on insider information.

PNW Asset Management's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Stuart C. McGehee at smcgehee@pnwam.com.

It is PNW Asset Management's policy that the firm will NOT affect any cross securities transactions for client accounts. PNW Asset Management will also not cross trades between client accounts. Cross securities transactions are generally defined as transactions where an adviser, buys from or sells any security in one client's account to any other advisory client. A cross security transaction may also be deemed to have occurred if a security is crossed between an affiliate and another client account.

ITEM 12 - BROKERAGE PRACTICES

PNW Asset Management has discretionary authority to determine the broker dealer to be used for the purchase or sale of securities for our clients' accounts, and by extension, the commission to be paid to the broker dealer for our clients' securities transactions. PNW Asset Management will conduct both qualitative and quantitative analysis of the brokers used to select the brokerage/custodial platform. PNW Asset Management considers the full range and quality of the broker's service in selecting the broker/custodial platform to meet best execution obligations, and may not pay the lowest commission rate available. As a starting point, though, the primary consideration is the trade price and commission quoted by the brokers. These things being equal or fairly equal among brokers, the following qualitative factors, are considered when performing PNW Asset Management's periodic evaluation of its brokerage arrangements and the execution quality of client trades:

- Ability to maintain the confidentiality of trading intentions
- Timeliness of execution
- Timeliness and accuracy of trade confirmations
- Liquidity of the securities traded
- Willingness to commit capital
- Ability to place trades in difficult market environments
- Research services provided
- Ability to provide investment ideas
- Execution facilitation services provided
- Record keeping services provided
- Custody services provided
- Frequency and correction of trading errors
- Ability to access a variety of market venues
- Expertise as it relates to specific securities
- Financial condition

Transaction in client company plans must be done with the custodian/broker chosen by the plan. PNW Asset Management and the client have no other choice. Because of this limitation, we may not be able to achieve the most favorable execution of client transactions and the costs incurred in the plan account may be higher than if the transaction could be executed with another broker.

We evaluate the broker dealers selected by PNW Asset Management annually. The evaluation includes a comparison to alternative choices and consideration is given to non-financial criteria as well as costs.

PNW Asset Management does accept or utilize soft dollar arrangements. For example, PNW Asset Management might accept a brokerage institution and custodian's institutional support services. PNW

Asset Management clients in need of brokerage and custodial services will have Charles Schwab & Co., Inc. (Schwab) recommended to them. The commission schedule for Schwab is competitively priced when compared to other brokerage institutions and considering the services provided by Schwab. PNW Asset Management makes the recommendation based on the needs of the clients and the services provided by Schwab such as the ability to execute trades, margin rates, on-line access to accounts, transaction charges, consolidated reporting, duplicate monthly statements, access to mutual funds and ETFs including lower sales charges than for direct purchases and lower minimum purchase amounts. There is no direct affiliation between the investment advice given to clients and PNW Asset Management's acceptance of institutional support services from Schwab. However, other products and services discussed below are not presently, but may in the future, be received by PNW Asset Management which would not be received if we did not give investment advice to clients and accept Schwab institutional support services.

Some of these institutional support services might assist PNW Asset Management in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution, pricing information and other market data, facilitate payment of PNW Asset Management's fees from its clients' accounts and assist with back office support, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of PNW Asset Management's clients' accounts.

Schwab may also provide PNW Asset Management with information and consulting services intended to help PNW Asset Management manage and further develop its business. The services may include technology consulting and regulatory compliance publications and presentations. The availability to PNW Asset Management of the products and services is not contingent upon PNW Asset Management committing to broker any specific amount of business. However, because PNW Asset Management does not have to produce or pay for the research, products or services, and instead they are paid by client commissions and other client costs, PNW Asset Management may have an incentive to select or recommend Schwab based on our interest in receiving such research and services, rather than on our clients' interest in receiving more favorable execution.

PNW Asset Management does not aggregate trades for client transactions. Aggregation is not available for mutual fund trades, which makes up a significant portion of PNW Asset Management's trades. Aggregation may be available in the trading of individual stocks and, if trades were aggregated, the transaction cost would be decreased.

ITEM 13 - REVIEW OF ACCOUNTS

All accounts are reviewed regularly by Stuart C. McGehee or Michael Bowers. The frequency of reviews is determined by various factors, but the reviews will occur no less frequently than annually. Stuart C. McGehee and Michael Bowers are responsible for evaluating securities for investment, reviewing clients' managed portfolios, creating asset allocations and security recommendations for and ensuring transactions are properly executed. PNW Asset Management utilizes asset class investing in client managed portfolios ("Accounts") principally through the use of open end mutual funds and exchange traded funds (ETFs). The mutual funds and ETFs used are periodically reviewed and, if necessary, we will change or add mutual funds and ETFs. No recommendations are made relative to the purchase of securities in unmanaged accounts or unmanaged assets. PNW Asset Management is attached to unmanaged accounts only for the convenience of the client and for reporting purposes.

Clients are requested to contact PNW Asset Management any time they have a significant change in their personal financial situation. PNW Asset Management will meet with our clients to update their financial plan to determine what, if any, changes need to be made to the client's portfolio. This work is done based

on the contact initiated by the client. Other changes to the portfolio may be initiated by PNW Asset Management personnel based on market conditions or other factors. Any major change to a client allocation is done with the client's approval, which will be documented.

Client Reporting

PNW Asset Management will provide clients with online performance reports. Clients also will receive reports from the third party custodians which can be compared to the PNW Asset Management reports. We strongly encourage clients to compare the 2 different reports and to communicate any discrepancies to us if any are noted. The third party custodian reports are in a variety of forms as directed by the client. Included in those online reports are the number of units, the value per unit, and total value of each investment, trades executed in each account during the period, and contributions and withdrawals.

ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION

We neither pay nor receive money, or any other form of compensation, for receiving or making client referrals. As discussed in Item 12 above, PNW Asset Management does accept or utilize soft dollar arrangements. For example, PNW Asset Management might accept a brokerage institution and custodian's institutional support services. PNW Asset Management clients in need of brokerage and custodial services will have Charles Schwab & Co., Inc. (Schwab) recommended to them. The commission schedule for Schwab is competitively priced when compared to other brokerage institutions and considering the services provided by Schwab. PNW Asset Management makes the recommendation based on the needs of the clients and the services provided by Schwab such as the ability to execute trades, margin rates, on-line access to accounts, transaction charges, consolidated reporting, duplicate monthly statements, access to mutual funds and ETFs including lower sales charges than for direct purchases and lower minimum purchase amounts. There is no direct affiliation between the investment advice given to clients and PNW Asset Management's acceptance of institutional support services from Schwab. However, other products and services discussed below are not presently, but may in the future, be received by PNW Asset Management which would not be received if we did not give investment advice to clients and accept Schwab institutional support services.

Some of these institutional support services might assist PNW Asset Management in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution, pricing information and other market data, facilitate payment of PNW Asset Management's fees from its clients' accounts and assist with back office support, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of PNW Asset Management's clients' accounts.

Schwab may also provide PNW Asset Management with information and consulting services intended to help PNW Asset Management manage and further develop its business. The services may include technology consulting and regulatory compliance publications and presentations. The availability to PNW Asset Management of the products and services is not contingent upon PNW Asset Management committing to broker any specific amount of business. However, because PNW Asset Management does not have to produce or pay for the research, products or services, and instead they are paid by client commissions and other client costs, PNW Asset Management may have an incentive to select or recommend Schwab based on our interest in receiving such research and services, rather than on our clients' interest in receiving more favorable execution. Sound familiar? That's because we disclosed this exact same information in Item 12 above, but the state of California insists that we repeat it here.

ITEM 15 - CUSTODY

Your assets will be maintained by an unaffiliated, qualified custodian, such as a bank, broker/dealer (ex. Schwab), mutual fund companies, or transfer agent. PNW Asset Management does not act as a qualified custodian nor do we hold any client securities or assets. The Washington Department of Financial Institutions does not permit us to have constructive custody of client securities or assets unless we are a qualified custodian. Your assets are NOT held by our advisory firm or any associate of our firm. Schwab acts as a qualified custodian for our Advisory Firm and for many other advisory firms.

PNW Asset Management does not maintain possession of client funds or securities. Nonetheless, because clients may authorize PNW Asset Management to directly deduct fees from client assets and because PNW Asset Management has standing letters of authorization to move money for some clients, PNW Asset Management has custody. PNW Asset Management complies with the following safeguards: (A) PNW Asset Management has custody of the funds and securities solely as a consequence of its authority to make withdrawals from client accounts to pay its advisory fee. (B) PNW Asset Management has written authorization from the client to deduct advisory fees from the account held with the qualified custodian. (C) Each time a fee is directly deducted from a client account, PNW Asset Management concurrently: 1. Sends the qualified custodian an invoice or statement of the amount of the fee to be deducted from the client's account; and 2. Sends the client an invoice or statement itemizing the fee. Itemization includes the formula used to calculate the fee, the value of the assets under management on which the fee is based, and the time period covered by the fee.

The third party custodians provide statements directly to clients. We also provide clients with information that can be compared to the statements sent to them by their third party custodian. PNW Asset Management reconciles third party custodian records to PNW Asset Management's records not less than monthly. However, PNW Asset Management strongly recommends clients compare the balance on their third party custodian statement to their PNW Asset Management data to ensure that there are no discrepancies. If there are any discrepancies, please immediately notify Stuart McGehee, President and Chief Manager, at 206-259-0575 or smcgehee@pnwam.com.

ITEM 16 - INVESTMENT DISCRETION

PNW Asset Management receives discretionary authority to manage securities accounts on behalf of clients. The authority is received via limited powers of attorney either included in the third party custodian account documents or in a separate document for company retirement plan accounts. The limitations allow PNW Asset Management to buy or sell securities in the account, transfer money to an account with the same name and/or to collect our monthly fee from the account. Clients may also have unmanaged accounts to which PNW Asset Management is attached. The client agreement with PNW Asset Management prohibits PNW Asset Management from exercising investment discretion with unmanaged assets.

Again, the state of California insists that we repeat what was discussed in Item 12 above, so for the second time, PNW Asset Management has discretionary authority to determine the broker dealer to be used for the purchase or sale of securities for our clients' accounts, and by extension, the commission to be paid to the broker dealer for our clients' securities transactions. PNW Asset Management will conduct both qualitative and quantitative analysis of the brokers used to select the brokerage/custodial platform. PNW Asset Management considers the full range and quality of the broker's service in selecting the broker/custodial platform to meet best execution obligations, and may not pay the lowest commission rate available. As a starting point, though, the primary consideration is the trade price and commission quoted by the brokers. These things being equal or fairly equal among brokers, the following qualitative factors, are considered when performing PNW Asset Management's periodic evaluation of its brokerage arrangements and the execution quality of client trades:

- Ability to maintain the confidentiality of trading intentions
- Timeliness of execution
- Timeliness and accuracy of trade confirmations
- Liquidity of the securities traded
- Willingness to commit capital
- Ability to place trades in difficult market environments
- Research services provided
- Ability to provide investment ideas
- Execution facilitation services provided
- Record keeping services provided
- Custody services provided
- Frequency and correction of trading errors
- Ability to access a variety of market venues
- Expertise as it relates to specific securities
- Financial condition

ITEM 17 - VOTING CLIENT SECURITIES

PNW Asset Management ***DOES NOT*** vote proxies for managed portfolio securities nor unmanaged securities held in client accounts. Investments held in Company Plan accounts are controlled by the third party custodian. Neither PNW Asset Management nor clients have the authority to vote proxies on securities held in those Company Plan accounts. Proxy voting for assets held in managed or unmanaged accounts is the responsibility of the client, and they will receive the proxies or other solicitations directly from their custodian.

ITEM 18 – FINANCIAL INFORMATION

PNW Asset Management has never been the subject of a bankruptcy petition and we are not aware of any financial condition that is reasonably likely to impair our ability to meet our contractual commitments to clients. PNW Asset Management COLLECTS NO FEES OF ANY KIND IN ADVANCE, therefore fees in excess of \$500 are NOT collected 6 months or more in advance.

ITEM 19 – REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Principals and any individuals giving investment and/or financial planning advice on behalf of PNW Asset Management must have a 4-year college degree and must have passed the Series 65 Uniform Investment Adviser Law Exam. A Brochure Supplement (Form ADV Part 2B) is provided at the end of this form for all affiliated persons of PNW Asset Management.

No PNW Asset Management employee or management person has been involved in any of the events listed below:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following: (a) an investment or an investment-related business or activity; (b) fraud, false statement(s), or omissions; (c) theft, embezzlement, or other wrongful taking of property; (d) bribery, forgery, counterfeiting, or extortion; or (e) dishonest, unfair, or unethical practices.
2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following: (a) an investment or an investment-related business or activity; (b) fraud, false statement(s), or omissions; (c) theft, embezzlement, or other wrongful taking of property; (d) bribery, forgery, counterfeiting, or extortion; or (e) dishonest, unfair, or unethical practices.

PNW Asset Management employees or management persons have no relationship or arrangement with any issuer of securities.

We unambiguously declared in Item 6 above that, “PNW Asset Management does not charge any performance-based fees (fees based on a share of capital gains on, or capital appreciation of, the assets of a client).” One would logically conclude that if the PNW Asset Management does not charge or get paid any performance-based fees that its management persons would not either, but we are, nonetheless, required by the California regulators to state as much here in Item 19. **So, to be clear, NONE - that’s ZERO - of our firm’s management persons are paid performance-based fees!**

ADDITIONAL DISCLOSURES

Business Continuity/Disaster Recovery Plan

PNW Asset Management has a business continuity/disaster recovery plan that will go into effect if our office space becomes uninhabitable or loses internet connectivity for an extended period. PNW Asset Management will simply set up in a location that has internet connectivity and will post on our website the best way for you to contact us.

Location will be determined by the extent of the disaster or interruption.

Privacy Notice

PNW Asset Management is committed to maintaining the confidentiality, integrity, and security of the personal information that is entrusted to us by our current and former clients. PNW Asset Management must collect certain personally identifiable financial information about its clients to provide financial services and products. The personally identifiable information that we gather during the normal course of doing business with you may include:

- 1) Information we receive from you on applications and other forms,
- 2) Information about your transactions with us, our affiliates, or others,
- 3) Information collected through an Internet “cookie” (an information collecting device from a web server), and
- 4) Information we receive from a consumer reporting agency.

We do not disclose any nonpublic personal information about our clients or former clients to anyone, except as required by law, or as necessary to provide services to you, or as permitted by you in writing. In accordance with Section 248.13 of Regulation S-P, we may disclose all of the information we collect, as described above, to certain nonaffiliated third parties such as attorneys, accountants, auditors and persons or entities that are assessing our compliance with industry standards. We enter into contractual agreements with all nonaffiliated third parties that prohibit such third parties from disclosing or using the information other than to carry out the purposes for which we disclose the information.

We restrict access to nonpublic personal information about you to those Employees who need to know that information to provide financial products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

ITEM 1 – Cover Page

FORM ADV PART 2B - BROCHURE SUPPLEMENT

Pacific Northwest Asset Management, LLC

2211 Elliott Ave., Ste. 200

Seattle, WA 98121

Central Registration Depository (“CRD”) Number: 172429

206-259-0575 | March 13th, 2019

<http://www.adviserinfo.sec.gov>

ITEM 2 – Educational Background and Business Experience

BIOGRAPHICAL INFORMATION

Stuart Christian McGehee

President, Chief Manager, Principal Owner, and Chief Compliance Officer

Pacific Northwest Asset Management, LLC

2211 Elliott Ave., Ste 200

Seattle, WA 98121

(206) 259-0575

<http://pnw-assetmanagement.com>

This Brochure Supplement provides information about Stuart McGehee, CRD Number 2257621, that supplements the PNW Asset Management Brochure. You should have received a copy of that Brochure. Please contact Stuart McGehee at smcgehee@pnwam.com or at the phone number above if you did not receive PNW Asset Management’s Brochure or if you have any questions about the contents of this supplement.

EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Name: Stuart Christian McGehee

Stuart McGehee was born in 1960. He earned a Bachelor of Arts from the University of Virginia and a Masters in Business Administration (MBA) from Vanderbilt University. Stuart McGehee passed the Series 65 Uniform Investment Adviser Law Exam and previously also passed the Series 24, 7, 52, and 63 securities exams. Additional information about Stuart McGehee is available on the Securities and Exchange Commission's Investment Adviser Public Disclosure web page at <http://www.adviserinfo.sec.gov> and at FINRA's broker check website at <http://brokercheck.finra.org>.

Financial Services Industry Business background:

2014 to present: Principal, owner, and Investment Adviser Representative at Pacific Northwest Asset Management, LLC, an investment adviser registered in Washington State.

2012 to 2014, Investment Adviser Representative at FSG Investment Management, LLC (now Telarray Advisors), an SEC regulated Registered Investment Adviser.

2006 to 2008, Senior Vice President, Institutional Fixed Income Sales, Countrywide Securities Corporation, Inc. (now part of Bank of America Corporation).

1992 to 2005, Senior Vice President, Institutional Fixed Income Sales, FTN Financial Capital Markets (a Division of First Tennessee Bank, N.A.) and FTN Securities Corporation, a wholly owned subsidiary of First Tennessee Bank, N.A.

ITEM 3: DISCIPLINARY INFORMATION

There are no legal or disciplinary information or events to disclose in response to this item.

ITEM 4: OTHER BUSINESS ACTIVITIES

2008 - Current, Principal and sole owner of Affluent Boomer Enterprises, LLC, a Tennessee Limited Liability Company specializing in digital media, web design, and custom programming services for small and medium size businesses. Stuart McGehee spends approximately 1% of his time on this business, none during business hours.

2012 – Current, Principal and minority owner of National Financial Strategy Group, LLC, a Tennessee Limited Liability Company providing cloud based, financial planning software to wealth managers. Stuart McGehee spends approximately 2% of his time on this business.

ITEM 5: ADDITIONAL COMPENSATION

Stuart McGehee does not receive economic benefits from any person or entity other than PNW Asset Management in connection with the provision of investment advice to clients. Stuart McGehee does receive compensation directly from Affluent Boomer Enterprises, LLC and from National Financial Strategy Group, LLC, but this compensation is NOT for financial advisory services. Hence, the compensation from Affluent Boomer Enterprises, LLC and from National Financial Strategy Group, LLC should not be deemed to be additional compensation for this item.

ITEM 6: SUPERVISION

As part of his duties at Pacific Northwest Asset Management, LLC, Stuart McGehee provides advice to clients. Clients hire PNW Asset Management by signing an Investment Advisory Agreement (IAA). The IAA details the terms and conditions of the business relationship between PNW Asset Management and our clients. In addition to this Part 2A of form ADV (firm Brochure), each PNW Asset Management Client also receives the results of the client's financial plan, or absent that an Investment Policy Statement, often represented by, usually within the first 45 days of the initial engagement, outlining how PNW Asset Management will manage the assets in the client's account. Periodic meetings with clients are used to evaluate the appropriateness of how the assets are managed, and meeting notes are prepared and maintained. If anyone feels advice given by Mr. McGehee is a problem, they can notify Mr. Bowers, Principal Owner of Pacific Northwest Asset Management, LLC. Mr. Bowers can be reached at 206.455.2903 or at mbowers@pnwam.com.

ITEM 7: Requirements for State Registered Advisors

Stuart McGehee has NOT been involved in ANY of the events listed below:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following: (a) an investment or an investment-related business or activity; (b) fraud,

false statement(s), or omissions; (c) theft, embezzlement, or other wrongful taking of property; (d) bribery, forgery, counterfeiting, or extortion; or (e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following: (a) an investment or an investment-related business or activity; (b) fraud, false statement(s), or omissions; (c) theft, embezzlement, or other wrongful taking of property; (d) bribery, forgery, counterfeiting, or extortion; or (e) dishonest, unfair, or unethical practices.

Stuart McGehee has no relationship or arrangement with any issuer of securities.

ITEM 2:

Michael Barron Bowers, CFA, CPA
Principal Owner and Investment Adviser Representative
Pacific Northwest Asset Management, LLC
2211 Elliott Ave., Ste 200
Seattle, WA 98121

(206) 259-0575

<http://pnw-assetmanagement.com>

This Brochure Supplement provides information about Michael Bowers, CRD Number 1436438, that supplements the PNW Asset Management Brochure. You should have received a copy of that Brochure. Please contact Stuart McGehee at smcgehee@pnwam.com or at 206.259.0575 if you did not receive PNW Asset Management's Brochure or if you have any questions about the contents of this supplement.

EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Name: Michael Barron Bowers, CFA, CPA

Michael Bowers was born in 1963. He earned a Bachelor of Business Administration and a Masters of Business Administration from the University of New Mexico. Michael is a Chartered Financial Analyst (CFA®) charterholder and a Certified Public Accountant (CPA) in the State of Washington. Michael satisfied the Investment Adviser Representative licensing requirement with his CFA designation and he has previously passed the Series 6, 63 and 7 securities exams. Additional information about Michael Bowers is available on the Securities and Exchange Commission's Investment Adviser Public Disclosure web page at <http://www.adviserinfo.sec.gov> and at FINRA's broker check website at <http://brokercheck.finra.org>.

PROFESSIONAL DESIGNATIONS HELD

Michael Bowers is a **Chartered Financial Analyst (CFA)** charterholder. The Chartered Financial Analyst charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals.

There are currently more than 120,000 CFA charterholders working in 134 countries. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide

by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

High Ethical Standards: The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters

Global Recognition: Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charterholders—often making the charter a prerequisite for employment. Additionally, regulatory bodies in 22 countries and territories recognize the CFA charter as a proxy for meeting certain licensing requirements, and more than 125 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

Comprehensive and Current Knowledge: The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

Michael Bowers is also a **Certified Public Accountant** in the State of Washington. CPAs are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include a minimum college education (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA), and successful passage of the Uniform CPA Examination. In order to maintain a CPA license, the State of Washington requires the completion of 120 hours of continuing professional education over a three year period. CPAs licensed in the State of Washington are required to follow the rigorous Code of Professional Conduct of the American Institute of Certified Public Accountants (AICPA) which requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services.

Financial Services Industry background:

Since 9/2015, Principal, owner, and Investment Adviser Representative at Pacific Northwest Asset Management, LLC, an investment adviser registered in Washington State.

2013 – 2015, Investment Adviser Representative at Conover Capital Management, LLC in Bellevue, Washington.

2013 – 2014, Registered Representative at Conover Securities Corporation in Bellevue Washington.

ITEM 3: DISCIPLINARY INFORMATION

There are no legal or disciplinary information or events to disclose in response to this item.

ITEM 4: OTHER BUSINESS ACTIVITIES

Michael Bowers has no other business activities.

ITEM 5: ADDITIONAL COMPENSATION

Michael Bowers does not receive economic benefits from any person or entity other than PNW Asset Management in connection with the provision of investment advice to clients.

ITEM 6: SUPERVISION

Michael Bowers is supervised by Stuart McGehee who can be reached at 206.259.0575 or at smcgehee@pnwam.com.

ITEM 7: Requirements for State Registered Advisors

Michael Bowers has NOT been involved in ANY of the events listed below:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following: (a) an investment or an investment-related business or activity; (b) fraud, false statement(s), or omissions; (c) theft, embezzlement, or other wrongful taking of property; (d) bribery, forgery, counterfeiting, or extortion; or (e) dishonest, unfair, or unethical practices.
2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following: (a) an investment or an investment-related business or activity; (b) fraud, false statement(s), or omissions; (c) theft, embezzlement, or other wrongful taking of property; (d) bribery, forgery, counterfeiting, or extortion; or (e) dishonest, unfair, or unethical practices.

Michael Bowers has no relationship or arrangement with any issuer of securities.