



Part 2A of Form ADV – Firm Brochure

NW Straits Financial Services LLC

406 E. Maryland St.

Bellingham, WA 98225

360.599.5206

www.nwstraits.com

Dated January 3, 2024

This brochure provides information about the qualifications and business practices of NW Straits Financial Services LLC, referred to as “NW Straits” in this document. If you have any questions about the contents of this brochure, please use the number above. 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.

NW Straits Financial Services LLC is registered as an Investment Adviser with the State of Washington. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about NW Straits is available on the SEC’s website at www.adviserinfo.sec.gov which can be found using the firm’s identification number: 315904

Throughout the document the terms “adviser,” “advisor,” or “planner” may be used to refer to NW Straits, or a representative of the company.

Item 2: Material Changes

- Removal of “Investment Management – Discretionary” as a standalone service. Please see Item 4.
- New fee schedule for new clients; this does not impact existing clients already under contract. Please see Item 5.

Future Changes

This section will include a summary of any material changes. At any time, we may amend this brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by regulators. We will ensure that all current clients receive a Summary of Material Changes to this and subsequent brochures within 120 days of the close of business of our fiscal year.

At any time, you may view the current brochure on-line at the SEC’s Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov> by searching for our firm name or firm identification number: 315904.

You may also request a copy of this brochure at any time, by contacting us at 360.599.5206 or email adam@nwstraits.com.

Item 3: Table of Contents

Item 2: Material Changes.....	2
Item 4: Advisory Business	4
Item 5: Fees and Compensation	6
Item 6: Performance Based Fees and Side-by-Side Management.....	8
Item 7: Types of Clients.....	8
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss.....	8
Item 9: Disciplinary Information	10
Item 10: Other Financial Industry Activities and Affiliations	10
Item 11: Code of Ethics, Participation or Interest in Client Transaction and Personal Trading	11
Item 12: Brokerage Practices	12
Item 13: Review of Accounts	13
Item 14: Client Referrals and Other Compensation.....	14
Item 15: Custody	14
Item 16: Investment Discretion	15
Item 17: Voting Client Securities.....	15
Item 18: Financial Information	15
Item 19: Requirements for State Registered Investment Advisors	15
Privacy Policy	18
Part 2B of Form ADV– Brochure Supplement.....	19

Item 4: Advisory Business

Description of Advisory Firm

NW Straits Financial Services (“NW Straits” “we” or “us”) is an independent fee only investment advisor providing a variety of services. NW Straits has been in business since 2021 and registered as an investment adviser under the laws of the State of Washington since 2022. Adam Van Ness, is the founder and Principal of NW Straits.

Types of Advisory Services

Our services are tailored to your unique situation. We adhere to a “Keep it Simple” ethos. With that in mind we formulate a plan or present advice and offer consultation after discussing with you: your average spending pattern, time horizon, projected future liquidity needs, current holdings, personal market views, life goals and other factors depending on the possible scope of work.

Any investment recommendations generally include passive index mutual funds and passive index exchange traded funds (ETFs). If you hold other types of investments, we will advise you on those investments as well.

We provide the following services:

- **Personal Financial Consulting – Non-Discretionary**
- **Financial Planning & Investment Management – Discretionary**

Personal Financial Consulting – Non-discretionary

This is an hourly, project based, financial planning and general personal finance support. It may include creation of a full comprehensive financial plan but does not include management of any of your assets. Under this approach NW Straits provides personal financial education and advice to you in the following areas:

- Net worth – we look at the value of all your assets, minus the total of all your liabilities.
- Emergency funds – we look at a cash reserve that's specifically set aside for unplanned expenses or financial emergencies.
- Establishing and tracking goals – we establish targets to aim for when you manage your money. Goals can involve saving, spending, earning or even investing.
- Account types – we examine various account types, what they mean, who they are available to, and discuss advantages or disadvantages given your specific situation.
- Cash flow – we examine what is coming into your life, what is exiting, and how that may or may not align with your values and or financial goals.
- Debt management – strategies to reduce, minimize, and eliminate debt in your life.
- Investment strategies – we look at and discuss strategies such as dollar cost averaging, account rebalancing and the pros/cons of passive investing vs. active.
- Retirement planning – we look at maximizing employee benefits and other available tools and account structures for retirement.

Financial Planning and Investment Management – Discretionary

(Please see Item 16 of this Brochure for additional description of our discretionary authority). This is a comprehensive and personally customized service. Collectively called the “Plan” comprising both financial planning and investment management of some or all of your assets.

Financial Planning: Working with you we evaluate your current financial state and future expectations. Typical topics of conversation and potential breadth of service:

- Net worth statement - we look at the value of all your assets, minus the total of all your liabilities and create a net worth statement for your household.
- Cash flow statement – we create a financial statement that summarizes the amount of cash and cash equivalents entering and leaving your household. The cash flow statement is a measure of how you are managing money in your life.
- Emergency funds - we look at a cash reserve and agree on the reserve amount as well as a way to get to a number that is specifically set aside for unplanned expenses or financial emergencies.
- Establishing / tracking / funding goals - we examine your personal values and bigger picture questions; with that, we establish targets to aim for with those values and goals in mind. We establish a method to track those goals, update, and discuss progress.
- Financial independence – we discuss investment income vs. expenses and where a potential crossover may occur, either prior to or at retirement, where you don't necessarily have to work to pay your living expenses.
- Retirement planning – In conjunction with creating Net Worth and Cash Flow statements we determine retirement spending goals, what retirement for you looks like, and the actions and decisions necessary to achieve those goals. This includes identifying all sources of income, implementing a savings program, and managing assets and risk. Cash flows are estimated to gauge whether the retirement goals will be achieved.
- Children’s education planning – we work with you to determine your goals for your children’s education and walk-through different options available, what is best suited for you situation, and what impacts this may have on your own retirement plan or personal goals.

Investment Management: NW Straits adheres to an agreed upon Asset Allocation for all invested assets.

Asset Allocation:

- Seeks to identify and maintain an encompassing portfolio asset allocation appropriate for your financial goals, investment objective, time-horizon, and volatility (risk) tolerance.
- Makes no attempt to predict the direction or magnitude of market volatility.
- Typically adheres to a fixed target allocation to each asset class in your portfolio.
- Requires periodic rebalancing in order to maintain the target allocation to each asset class.

Client Tailored Services and Client Imposed Restrictions

We offer the same suite of services to all our clients. However, specific client financial plans and their implementation are dependent upon your specific Plan which outlines your current situation and aids in the selection of a portfolio that matches any restrictions, needs, goals and targets. You, of course, may impose restrictions on investing in certain securities or types of securities.

Wrap Fee Program

We do not participate in or sponsor any wrap-fee programs.

Discretionary Assets

As of 12/31/23 we manage \$7,196,238 of assets on a discretionary basis.

We manage \$0 of assets on a non-discretionary basis.

Item 5: Fees and Compensation

Please note, unless you have received the firm's disclosure brochure at least 48 hours prior to signing an agreement with us, the agreement may be terminated by you within five (5) business days of signing without incurring any fees and without penalty.

How we are paid depends on the type and scope of services we are providing. We offer two services (as outlined in Item 4 above):

- Personal Financial Consulting – Non-Discretionary
- Financial Planning & Investment Management – Discretionary

Please review the fee information below. Fees for all services are negotiable.

Personal Financial Consulting

Fees are charged on an hourly rate. The hourly rate is \$200 per hour and is charged in half-hour increments. The fee is negotiable. This fee encompasses all work related to: project based financial planning and general personal finance support in the following areas (See Item 4):

- Net worth
- Emergency funds
- Establishing and tracking goals
- Account types
- Cash flow
- Debt management
- Basic investment strategies
- Basic retirement planning

Fees for this service are billed directly to you, in arrears and only after you have agreed to the estimated number of hours at the beginning of the engagement. You and NW Straits will agree upon, in writing, the nature and depth of the engagement as well as the frequency of billing. Fees may be paid by check or electronic funds transfer. For fees paid by electronic funds transfer, debit card or credit card, we use an independent third-party payment processor in which you can securely input your banking information and pay your fee. We do not have access to your banking information at any time. You will be provided with your own secure portal in order to make payments. Fees will be paid through "one-time payment" requests for each bill.

For Personal Financial Consulting clients, each time NW Straits charges an hourly fee, we will provide an invoice to you that contains the fee, the formula used to calculate the fee, the fee calculation itself, and the number of hours covered by the fee along with a link to the independent third-party payment processor.

Should you decide to cancel the Personal Financial Consulting agreement, at any time, you will receive a final bill for any time incurred and not previously billed, up to the date of termination. Any completed portions of any documents will be delivered to you upon payment of the final bill for the work completed.

Financial Planning and Investment Management

You will pay an annual fee based upon the total net asset value of all discretionary Accounts (based on market value, as provided by the Custodian or Custodians). The fee is negotiable. This fee encompasses all ongoing services as outlined under Item 4 “Financial Planning and Investment Management.”

NW Straits does not charge a fee on assets over which we do not have discretionary authority.

The fee is payable on a monthly basis, in arrears, and is deducted directly from the account(s).

The fee shall be paid and calculated monthly by multiplying the average of the daily ending account balance(s) for the prior month, given the following fee schedule:

<u>Total Assets Under Management</u>	<u>Monthly Fee</u>
Up to \$150,000	0.1625%
Next \$100,000	0.0875%
Next \$250,000	0.0625%
Next \$500,000	0.0500%
Next \$1,000,000	0.0375%
Next \$1,000,000	0.0250%
Above \$3,000,000	0.0125%

For example: A client household with account(s) that had a daily average balance of \$175,000 at the end of the month would have the monthly portion of the fee of \$265.63 deducted for that month.

Calculation: First \$150,000 x 0.1625% = \$243.75; Next \$25,000 x 0.0875% = \$21.88; \$243.75 + 21.88 = \$265.63

Should you decide to cancel the service agreement during the month, the fee shall be pro-rated based upon the number of days the account was open during the billing period.

For Financial Planning and Investment Management clients, each time NW Straits charges an advisory fee, we will provide an invoice to you that contains the fee, the formula used to calculate the fee, the fee calculation itself, the time period covered by the fee and the amount of assets under management the fee is based on and the name of the custodian(s).

If you choose, from the outset, to engage in “Financial Planning and Investment Management” you will be charged the AUM fee as outlined above under this service. This fee includes the creation of a financial plan and the ongoing management by NW Straits of discretionary assets.

Please note: Financial planning fees are offset for related advisory services of assets being managed by the Adviser under Financial Planning and Investment Management.

Other Types of Fees and Expenses

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by you, and may be the result of our investment recommendation. You may incur certain charges imposed by custodians, brokers, and other third parties such as 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 fund 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 our fee. We do not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that we consider in selecting or recommending broker dealers for your transactions and determining the reasonableness of their compensation.

We do not accept any compensation for the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds.

Item 6: Performance Based Fees and Side-by-Side Management

We do not offer performance-based fees.

Item 7: Types of Clients

We provide financial planning and portfolio management services to individuals and high net-worth individuals.

We have a minimum account size requirement of \$150,000.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

When we work with you, whether consulting or financial planning/investment management (as described in Item 4 of this brochure), our primary methods of investment analysis are based upon answering the question of "when do you need the money?". Answering this question drives the asset allocation decisions and the appropriate time/risk horizon based on asset class.

We believe in a semi-strong form of market efficiency and do not pick and or recommend specific stocks, bonds or other individual securities. While short-term mis-pricing does exist, for financial planning and long-term financial services, the better choice is to own the markets through passive index investing and reduce fixed investment expenses to as low as possible.

Unless directed by you to purchase a specific issue or security we will use mutual fund and exchange traded funds that track market indexes.

We do not believe in or adhere to technical analysis or any forms of market timing. We believe in de-risking your portfolio as you approach your retirement years or withdrawal years. Similar in concept to how target date funds operate but more specific and tailored to your specific situation.

We work very closely with you to determine the length of your risk runway. The runway is the length of time, in years, leading up to a withdrawal event such as retirement or a child going to college. We analyze asset class mixes and back test portfolios for appropriate risk/reward over the longest time horizons possible given available data.

Passive Investment Management

We practice passive investment management. Passive investing involves building portfolios that are comprised of various distinct asset classes. The asset classes are weighted in a manner to achieve a desired relationship between correlation, risk and return. Funds that passively capture the returns of the desired asset classes are placed in the portfolio. The funds that are used to build passive portfolios are typically index mutual funds or exchange traded index funds.

Passive investment management is characterized by low portfolio expenses (i.e. the funds inside the portfolio have low internal costs), minimal trading costs (due to infrequent trading activity), and relative tax efficiency (because the funds inside the portfolio are tax efficient and turnover inside the portfolio is minimal).

In contrast, active management involves a single manager or managers who employ some method, strategy or technique to construct a portfolio that is intended to generate returns that are greater than the broader market or a designated benchmark. Academic research indicates most active managers underperform the market and those that do outperform do not outperform consistently over longer time horizons. We would advise against and do not use active managers, unless directed by you.

Material Risks Involved

All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear. Many of these risks apply equally to stocks, bonds, commodities and any other investment or security. Material risks associated with our investment strategies are listed below.

Market Risk: Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

Strategy Risk: The Adviser's investment strategies and/or investment techniques may not work as intended.

Capitalization (Cap) Risk: Securities of companies with small and medium market cap are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of your portfolio.

Turnover Risk: Typically, we adhere to a quarterly or annual rebalancing schedule. At times, the strategy may have a portfolio turnover rate that is higher. A high portfolio turnover can result in greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect performance.

Interest Rate Risk: Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below the principal investment. The opposite is also generally true: bond prices generally rise when

interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

Legal or Legislative Risk: Legislative changes or Court rulings may impact the value of investments, the taxes you pay, or the securities' claim on the issuer's assets and finances.

Inflation: Inflation may erode the buying-power of your investment portfolio, even if the dollar value of your investments remains the same.

Risks Associated with Securities: Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

Common stocks: may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

Exchange Traded Funds (ETF): prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected. ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" halts stock trading generally.

Investment Companies Risk: When you invest in open end mutual funds, you indirectly bear its proportionate share of any fees and expenses payable directly by those funds. In addition, your overall portfolio may be affected by the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives).

Item 9: Disciplinary Information

Criminal or Civil Actions

NW Straits and its advisors have not been involved in any criminal or civil actions.

Administrative Enforcement Proceedings

NW Straits and its advisors have not been involved in administrative enforcement proceedings.

Self-Regulatory Organization Enforcement Proceedings

NW Straits and its advisors have not been involved in self-regulatory organization enforcement proceedings.

Item 10: Other Financial Industry Activities and Affiliations

No NW Straits employee is registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

No NW Straits employee is registered, or have an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.

NW Straits does not have any related parties. As a result, we do not have a relationship with any related parties.

NW Straits only receives compensation directly from clients. We do not receive compensation from any outside source. We do not have any conflicts of interest with any outside party.

Educational Seminars and Speaking Engagements

We teach personal finance courses as organized by a local community college from time-to-time. These courses are purely educational in nature and do not involve the sale of any investment products. Information presented is not based on any individual person's need, nor does NW Straits provide individualized investment advice to attendees. To date all courses conducted by NW Straits have occurred in the evening and are outside of regular trading hours. Required time commitment is 2 hours a month. Potential conflicts of interest could arise due to the nature and scope of discussing personal finance with a broad audience. These conflicts are addressed by ensuring all topics and discussions are broad based, general in nature and not specific to an individual's situation.

Item 11: Code of Ethics, Participation or Interest in Client Transaction and Personal Trading

As a fiduciary, we have a duty to put your interests first which includes, but is not limited to, a duty of care, loyalty, obedience and utmost good faith. You entrust us with your funds and personal information, which in turn requires the highest standard of conduct and our complete integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings. We also accept the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

Code of Ethics

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to clients. Our Code of Ethics is outlined below:

- Integrity – We offer and provide professional services with integrity.
- Objectivity - We shall be objective in providing professional services to clients.
- Competence - We shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which we are engaged.
- Fairness - We shall perform professional services in a manner that is fair and reasonable to clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - We shall not disclose confidential client information without the specific consent of the client unless in response to proper legal process, or as required by law.
- Professionalism - Our conduct in all matters shall reflect positively upon the profession.
- Diligence - We shall act diligently in providing professional services.

We periodically review and amend the Code of Ethics to ensure that it remains current. We will provide a copy of our Code of Ethics to anyone upon request.

Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest

NW Straits, its' advisors or any related person is not authorized to recommend to you, or effect a transaction for you, involving any security in which our firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, etc.

Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

NW Straits, its' advisors or related person may buy or sell securities similar to, or different from, those we recommend to you for their accounts. In an effort to reduce or eliminate certain conflicts of interest involving the firm or personal trading, our policy may require that we restrict or prohibit associates' transactions in specific reportable securities transactions.

Trading Securities At/Around the Same Time as Client's Securities

From time to time, our firm or its "related persons" may buy or sell securities for themselves at or around the same time as you. We will never engage in front-running activities or trade ahead of clients. We have the ability to trade mutual funds and passive index ETFs around the same time as you, but we will not trade non-index-based funds or ETFs 5 days prior to trading the same security for you.

Item 12: Brokerage Practices

Factors Used to Select Custodians and/or Broker-Dealers

NW Straits does not have any affiliation with Broker-Dealers. Specific custodian recommendations are made to clients based on their need for such services. We recommend custodians based on the reputation and services provided by the firm.

Research and Other Soft-Dollar Benefits

We view research and soft dollar benefits as an inherent conflict of interest, not in line with our fiduciary duty to our clients. We have no formal arrangements for the receipt of research or other soft-dollar benefits. The recommended broker-dealer, Altruist Financial LLC (please see below "The Custodian and Brokers We Use"), does not offer nor provide access to a soft-dollar program.

Brokerage for Client Referrals

We receive no referrals from brokers or third parties in exchange for using that broker or third party.

Clients Directing Which Broker/Dealer/Custodian to Use

We do recommend a specific custodian for you to use, however, you may custody your assets at a custodian of your choice. You may also direct us to use a specific broker-dealer to execute transactions. By allowing you to choose a specific custodian, we may be unable to achieve most favorable execution and this may cost you money over using a lower-cost custodian or broker.

The Custodian and Brokers We Use (Altruist Financial LLC)

NW Straits offers investment advisory and management services through the self-clearing and custodial platform offered by Altruist Financial LLC, an unaffiliated SEC-registered broker-dealer and FINRA/SIPC

member (“Altruist”). Altruist, in addition to providing commission-free trading and a digital onboarding experience, provides us with access to various tools and technology to help us more effectively manage client portfolios.

NW Straits believes strongly in the technology advantage and seamless integrations that Altruist has developed. We recommend Altruist to clients for custody and brokerage services. There is no direct link between NW Straits’ recommendation and the investment advice we give to you. We receive no economic or monetary benefits through our recommendation of Altruist.

However, NW Straits and the client both benefit through using Altruist with services that are typically not available to retail investors at other custodians or brokers. Some of these benefits include the following services: receipt of duplicate client statements and confirmations; performance reporting; model portfolio construction; portfolio/account rebalancing; paperless onboarding of accounts and ACAT transfers; seamless integration between online and mobile platforms; the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; and access to mutual funds with no transaction fees and to certain institutional money managers. Some of the services made available by Altruist may benefit NW Straits but may not benefit its client accounts. These or other services may assist NW Straits in managing and administering client accounts.

The benefits received by NW Straits through the use of Altruist do not depend on the amount of brokerage transactions directed to Altruist. As part of its fiduciary duties to you, NW Straits puts the interests of you first. While absolutely no economic benefit is received by NW Straits for the use of Altruist as custodian, you should be aware, that the platform services benefit NW Straits and of itself could create a potential conflict of interest.

Aggregating (Block) Trading for Multiple Client Accounts

Generally, we do not combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as “block trading”). While block trading may benefit certain clients by reducing transaction costs, we do not feel our clients are disadvantaged since we execute trades on an individual basis. We develop an individualized investment strategy based on the client’s needs and objectives and holdings will vary. Based on the types of securities we usually use, and the long-term passive management nature of our investment strategies we do not believe that the benefit of block trading would usually be great enough to modify an individual client's investment strategy and rebalancing schedule.

Item 13: Review of Accounts

If you are a “Financial Planning and Investment Management” client your account(s) is reviewed regularly. At a minimum, account reviews are typically quarterly but may be conducted annually. The review will be managed and performed by the Principal of NW Straits, Adam Van Ness. The account(s) is reviewed with regards to your investment policies, risk tolerance levels, and adherence to the asset allocation.

The typical investment strategies for your accounts are passive in nature. However, events may trigger a special review. Typical events would be unusual performance, addition or deletions of client-imposed

restrictions, excessive draw-down, life events, larger than normal additions of cash, or buy and sell decisions per your needs.

You will receive trade confirmations from the broker(s) for each transaction in your account(s) as well as monthly or quarterly statements and annual tax reporting statements from the custodian showing all activity in the accounts, such as receipt of dividends and interest, fees, and trading activity.

No direct reports are provided to you outside of the Plan or fee invoices. NW Straits will provide you with continuous access to the account(s) through a Custodian(s) website and/or mobile app (which website and/or mobile app will generally be hosted by the custodian or broker/dealer) regarding information about account status, fees, portfolio allocations, securities, and balances. Accounts custodied with Altruist (see Item 15 below) have proprietary (to Altruist), as well as commercially available software, used to review the accounts to assure that they are in line with portfolio allocations.

Item 14: Client Referrals and Other Compensation

NW Straits has no arrangements, written or oral, in which NW Straits compensates others or is compensated by others for Client referrals. NW Straits does not receive any economic benefit, directly or indirectly, from any third party for advice rendered to you.

Item 15: Custody

NW Straits does not have custody of the assets in your account(s) and does not accept custody of client funds except in our ability to debit advisory fees. If you are a “Financial Planning and Investment Management” client you provide written authorization to NW Straits, permitting us to be paid directly from your accounts held by the custodian.

You should receive, at least quarterly, standard account statements from the qualified custodian that holds and maintains your investment assets. Statements will show all disbursements for the account(s), including the amount of the advisory fee.

You should carefully compare custodial records to fee invoices as provided by NW Straits and Client account information as provided continuously through a Custodian(s) website and/or mobile app (which website and/or mobile app will generally be hosted by the custodian or broker/dealer) regarding information about account status, fees, portfolio allocations, securities, and balances. We would not expect there to be any differences, so please do inform us of any differences noted.

NW Straits is not affiliated with the custodian. The custodian does not supervise the advisor, its agents or activities.

NW Straits shall have no liability to the Client for any loss or other harm to any property in the account, including any harm to any property in the account resulting from the insolvency of the custodian or any independent acts of the agents or employees of the custodian and whether or not the full amount or such loss is covered by the Securities Investor Protection Corporation (“SIPC”) or any other insurance which may be carried by the custodian. The Client understands that SIPC provides only limited protection for the loss of property held by a custodian.

Item 16: Investment Discretion

For those client accounts where we provide Financial Planning and Investment Management (see Item 4), we maintain discretion over your accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. Investment discretion is explained to clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, you will execute a Limited Power of Attorney, which will grant NW Straits discretion over the account(s). Additionally, the discretionary relationship is outlined in the advisory contract and signed by you.

Discretionary authority allows NW Straits to execute investment recommendations in accordance with the Plan as provided in the case of Financial Planning and Investment Management without your prior approval of each specific transaction.

Item 17: Voting Client Securities

NW Straits does not vote proxies on your behalf. You retain the responsibility for receiving and voting proxies and acting on corporate actions for any and all securities maintained in your account(s). You will receive proxies and other corporate action solicitations directly from the custodian or transfer agent.

NW Straits may provide advice to you regarding your voting of proxies if such advice is solicited directly.

Item 18: Financial Information

Registered investment advisers are required to provide you with certain financial information or disclosures about our financial condition.

- NW Straits has no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients.
- NW Straits, the advisor, and its representatives have never been the subject of a bankruptcy proceeding.

We do not have custody of client funds or securities or require or solicit prepayment of more than \$500 in fees per client, six months or more in advance of services being rendered.

Item 19: Requirements for State Registered Investment Advisors

Ownership

There is one principal owner of NW Straits Financial Services LLC, Adam Van Ness.

Full Legal Name: Van Ness, Adam G.

Born: 1975 - Seattle, WA

Education:

- 2005 – International Masters of Business Administration (IMBA), Finance. Moore School of Business, University of South Carolina
- 1997 – Bachelor of Science, Finance (cum laude), Carroll School of Management, Boston College

Additional education:

- 1998 – U.S. Army Field Artillery Officer Basic Course
- 1998 – U.S. Army Airborne School

Relevant Experience

- 07/2021 – Present NW Straits Financial Services LLC
- 12/2013 - 04/2016 Russell Investments - Global Head of Investment Operations
- 07/2013 – 11/2013 Russell Investments - Senior Portfolio Manager
- 01/2011 – 06/2013 Russell Investments - Head of Implementation Svcs. / Australia & NZ
- 05/2005 – 12/2010 Russell Investments - Portfolio Manager

Professional Designations, Licensing & Exams

- Series 65 exam, Uniform Investment Adviser Law Exam

Other Business Activities

- NW Straits does not engage in other business activities.

Performance Based Fees - Please refer to Item 6 of this brochure.

Material Disciplinary Disclosures

No person at NW Straits Financial Services LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

Material Relationships That Management Persons Have with Issuers of Securities

Neither NW Straits Investment Services LLC, nor Adam Van Ness, have any relationship or arrangement with issuers of any securities.

Additional Compensation

Adam Van Ness does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through NW Straits.

Supervision

Adam Van Ness, as a sole proprietor is Principal and Chief Compliance Officer of NW Straits, is responsible for supervision and no one else will be supervising him. He may be contacted at the phone number on this brochure supplement.

Requirements for State Registered Advisers

Adam Van Ness **has not been involved** in any of the events listed below:

- An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
 - An investment or an investment-related business or activity;
 - Fraud, false statements, or omissions;
 - Theft, embezzlement, or other wrongful taking of property;

- Bribery, forgery, counterfeiting, or extortion; or
 - Dishonest, unfair, or unethical practices.
- An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
 - An investment or an investment-related business or activity;
 - Fraud, false statements, or omissions;
 - Theft, embezzlement, or other wrongful taking of property;
 - Bribery, forgery, counterfeiting, or extortion; or
 - Dishonest, unfair, or unethical practices.
- Adam Van Ness has not been the subject of a bankruptcy petition at any time.

Privacy Policy

As a state regulated Registered Investment Adviser, NW Straits is covered under the definition of a “financial institution” in the Federal Gramm-Leach-Bliley Act (the “Act”). The Adviser is therefore subject to Act as well as the rules of privacy imposed on Investment Advisers and other financial services firms. The Adviser is also subject to the Privacy Rules established by the State of Washington.

To maintain compliance with Privacy Rules, every broker, dealer, investment company and investment adviser is required to adopt policies and procedures reasonably designed to safeguard customer and consumer records and information. NW Straits has adopted a Privacy Policy to protect clients and consumers.

In its role as Investment Adviser, NW Straits routinely collects nonpublic personal information from clients and prospective clients. This information generally will include but is not limited to:

- Information provided from applications, forms and other information provided to us either verbally or in writing, and include but are not limited to your name, address, phone number, account information, social security number, assets, employment, income and debt;
- Information about your transactions, accounts, trading activity and parties to transactions; health and beneficiary information (such as may pertain to investment or financial planning issues);
- Information from other outside sources;
- Any other data that is deemed to be nonpublic personal information as defined by the Act and state privacy rules.

NW Straits values our clients’ trust and confidence. We will never sell nonpublic personal information we obtain from clients or prospective clients.

All information provided by clients or prospective clients to NW Straits and information and advice furnished by the Adviser to clients, shall be treated as confidential and shall not be disclosed to unaffiliated third parties, except as directed by clients with written authorization, by application to facilitate the investment advisory services offered by the Adviser via an affiliated or unaffiliated financial services provider (such as the client’s custodial firm or broker/dealer), or as required by any rule, regulation or law to which the Adviser or its staff may be subject.

NW Straits maintains clients records in a controlled environment and records (electronic and otherwise) are only available to authorized persons of the Advisor who have a need to access client information in order to deliver advisory services, provide administrative support, or to respond to client requests. The Adviser has made reasonable efforts to ensure that its electronic network and online service providers are secure.

NW Straits’ position on protecting non-public personal information extends beyond the life of the Advisory Agreement. Client information is retained in a protected manner for the time period required by regulators (five years from the data of last use) and thereafter is safely destroyed via in-house shredding or a contracted secure shredding service.

Consumers (who are not clients) who provide information during an initial consultation or for other purposes but do not go on to become clients of the Adviser also receive privacy protection. Original information will be promptly returned in person or via the mail if the Adviser’s services are not engaged. Alternatively, if nonpublic personal information is contained in copies of documents, notes or some other media, this information will be securely filed for a period of up to one year (depending upon likelihood of engagement) before being shredded in- house or via our secure shredding service.

Clients are encouraged to discuss questions regarding these privacy policies and procedures with Adam Van Ness, Principal, NW Straits.

NW Straits
Financial Services, LLC

Part 2B of Form ADV– Brochure Supplement

NW Straits Financial Services LLC

406 E. Maryland St.

Bellingham, WA 98225

360.599.5206

Dated January 2, 2024

For

Adam Van Ness - Individual CRD# 4976468

Principal

This brochure supplement provides information about Adam Van Ness that supplements the NW Straits Financial Services LLC (“NW Straits”) brochure. A copy of that brochure precedes this supplement. Please contact Adam Van Ness if the NW Straits brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about Adam Van Ness is available on the SEC’s website at www.adviserinfo.sec.gov which can be found using the identification number 4976468.

Item 2: Educational Background and Business Experience

Full Legal Name: Van Ness, Adam G. Born: 1975 - Seattle, WA

Education:

2005 – International Masters of Business Administration (IMBA), Finance. Moore School of Business, US Carolina

1997 – Bachelor of Science, Finance (cum laude), Carroll School of Management, Boston College

Additional education:

1998 – U.S. Army Field Artillery Officer Basic Course

1998 – U.S. Army Airborne School

Relevant Experience

- 07/2021 – Present NW Straits Financial Services LLC
- 12/2013 - 04/2016 Russell Investments - Global Head of Investment Operations
- 07/2013 – 11/2013 Russell Investments - Senior Portfolio Manager
- 01/2011 – 06/2013 Russell Investments - Head of Implementation Svcs. / Australia & NZ
- 05/2005 – 12/2010 Russell Investments - Portfolio Manager

Professional Designations, Licensing & Exams

Series 65 exam, Uniform Investment Adviser Law Exam

Item 3: Disciplinary Information

No person at NW Straits Financial Services LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

Item 4: Other Business Activities

- Personal finance courses as organized by a local community college: The courses are educational in nature and do not involve the sale of any investment products. Information presented is not based on any individual person's need, nor does it involve individualized investment advice to attendees. Courses are conducted in the evening and are outside of regular trading hours. Time commitment is 2 hours a month. Conflicts of interest are addressed by ensuring all topics are broad based, general in nature and not specific to an individual situation.
- Unity Care Northwest Board of Directors: serving as a community representative and board member. Unity Care NW is a local, non-profit health care provider that is part of a national network of community health centers. Required time commitment is 6 – 10 hours a month which are primarily outside of normal business hours.

Item 5: Additional Compensation

Adam Van Ness does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through NW Straits.

Item 6: Supervision

Adam Van Ness, as Principal and Chief Compliance Officer of NW Straits, is responsible for supervision and no one else will be supervising him. He may be contacted at the phone number on this brochure supplement.

Item 7: Requirements for State Registered Advisers

Adam Van Ness **has not been involved** in any of the events listed below:

- An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
 - An investment or an investment-related business or activity;
 - Fraud, false statements, or omissions;
 - Theft, embezzlement, or other wrongful taking of property;
 - Bribery, forgery, counterfeiting, or extortion; or
 - Dishonest, unfair, or unethical practices.
- An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
 - An investment or an investment-related business or activity;
 - Fraud, false statements, or omissions;
 - Theft, embezzlement, or other wrongful taking of property;
 - Bribery, forgery, counterfeiting, or extortion; or
 - Dishonest, unfair, or unethical practices.
- Adam Van Ness has not been the subject of a bankruptcy petition at any time.