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ADV Part 2A Appendix 1

Effective: *March 5, 2025*

DISCLAIMER:

This Wrap Fee Program Brochure provides information about the qualifications and investment advisory business practices of Northstar Financial Companies, Inc. (hereafter “Northstar”). please contact us at 800-220-2161 or at www.nstarfinco.com with any questions about the contents of this Brochure,

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Additional information about our firm is available on the SEC’s website at www.adviser.info.sec.gov (the CRD number for Northstar is 119396).

NOTE: Please be aware that registration with the SEC does not imply a certain level of skill or training for any firm.



MATERIAL CHANGES

Material changes are any changes an average client would consider important to making an investment decision.

Since the filing of our last annual updating amendment, dated June 7, 2024, we have made no material changes to our Wrap Fee Program Brochure.

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SERVICES, FEES AND COMPENSATION

The Northstar Asset Management Program (the “Program”) is an investment advisory program sponsored by Northstar Financial Companies, Inc., a Registered Investment Adviser offering a variety of services, including comprehensive Financial Planning, Investment Management and other services under different service arrangements than those described herein.

Description of the Program

The Program is offered as a wrap fee program, which provides clients with the ability to trade investment products without incurring separate commissions or transaction charges. Northstar’s relationship with clients under the Program, a client’s relationship is centered on advice.

Clients in the program pay an annual fee based on the value of assets in the account(s), as determined by their custodian, in exchange for;

- comprehensive financial planning including, but not limited to, retirement, education funding, insurance, executive/employee benefit analysis, business succession, estate, and gift planning. and tax planning
- investment management services including, but not limited to, consulting, portfolio construction and monitoring, investment manager due diligence and research, ongoing asset allocation and rebalancing, reporting and quarterly analysis, and the cost of securities transactions executed.

In a typical brokerage-only account, the relationship would be transactional, as clients would pay the broker-dealer a commission or other security transaction fee for each transaction that covers the cost of execution, related services and incidental advice based on what the broker determines to be suitable.

In a fee plus commission investment account, clients would pay an asset-based fee to an investment advisor and, if applicable, pay a separate commission or transaction fee to a broker-dealer for each transaction that covers the cost of execution. Depending on the broker-dealer selected, clients may also pay a fee for custodial services.

The benefits of a wrap fee program over these other types of services depend largely upon the size of the account, account management costs, frequency of security transactions or the type of security transactions executed. As such, a wrap fee program is not be suitable for all accounts, as clients may pay more to Northstar in the Program than they would by engaging the firm separately for planning and/or investment advice. Some examples are accounts holding primarily cash or cash equivalents, fixed income securities, no-transaction fee mutual funds or any security that can be traded without commissions or transaction fees.

When deciding if a wrap fee arrangement is appropriate, please compare the agreed upon wrap fee (and any other costs associated with participating in the Program) to the amounts that would be charged by Northstar for each of the independent services provided in the Program

separately, and by other advisors, broker-dealers, or custodians for advisory fees, brokerage costs, execution costs and custodial services.

Please note that, when we provide investment advice to retirement plan accounts or individual retirement accounts, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts of interest, so we operate under a special rule that requires us to act in our clients' best interest and not put our interests ahead of theirs.

Under this special rule's provisions, we must:

- ◆ Meet a professional standard of care when making investment recommendations (give prudent advice);
- ◆ Never put our financial interests ahead of clients when making recommendations (give loyal advice);
- ◆ Avoid misleading statements about conflicts of interest, fees, and investments;
- ◆ Follow policies and procedures designed to ensure that we give advice that is in our clients' best interest;
- ◆ Charge no more than is reasonable for our services; and
- ◆ Give clients basic information about conflicts of interest.

To participate in the Program, clients must open an account with the Schwab Advisor Services division of Charles Schwab & CO. Inc (hereafter "Schwab"). Schwab is an independent registered broker/dealer and FINRA/SIPC member firm and provides custody of securities, trade execution, transaction clearance and settlement services for clients in the Program.

Please note that Schwab has eliminated commissions for U.S. equities, ETFs, and option online trades. In most cases, when we buy and sell these types of securities, Northstar will not pay any commissions on clients' behalf. We encourage clients to review our custodian's pricing to compare doing a wrap fee vs. non-wrap fee arrangement.

While Northstar recommends Schwab for custody and brokerage services, Northstar is independently owned and operated and is not affiliated with Schwab, nor is any advice or investment recommendation linked to or contingent upon these services. Other custody arrangements can be made, in which case clients would (as applicable) pay transaction-related fees or other charges not covered in this brochure. Please refer to our Form ADV Part 2A for more information on services outside the Program.

Schwab provides Northstar with products and services that only indirectly benefit client accounts. These include software and other technology that provide access to account data (such as trade confirmation and account statements); facilitate trade execution for individual accounts or in block trades; provide research on securities (primarily stocks and bonds), pricing information and other market data; facilitate payment of our fees; and assist with back-office functions such as recordkeeping and reporting. Most of these services are used to service all or

a substantial number of Northstar's client accounts, regardless of whether they are subject to fees as part of the Program.

Schwab also provides access to proprietary research on securities (primarily stocks and bonds) as well as third party research services. Schwab's research is utilized incidentally in the course of trading accounts and will only benefit those clients for whom we are then trading. Northstar's primary sources of market/securities research are provided by subscription to services that are independent of any brokerage service or custodian.

Northstar provides advisory services through the Program on a discretionary basis, always reflecting each clients' stated risk tolerance and financial objectives. Discretion is granted by prior written authorization, which allows us to determine which securities to buy or sell, how much to trade, and the timing of the transactions.

In some instances, Northstar will recommend the services of an independent investment manager, under which advisory services are typically discretionary and reflective of a very specific financial objective. That said, most Program assets are under Northstar's direct management and primarily allocated across exchange listed stocks, mutual funds, exchange-traded funds, covered stock options, municipal or Government securities, corporate debt, partnership interests and warrants.

Portfolio allocation in the Program is strategic in nature and designed to provide broad diversification across different asset classes and investment objectives (growth vs. income) in accordance with stated goals, liquidity needs and tolerance for market/price risk. Clients can impose restrictions on the types of securities held in Program accounts.

Program Fees

Northstar receives the total balance of the wrap fee as compensation for investment advisory services when managing a client's account in the Program. A portion of that compensation is used to offset the cost of trading and other management expenses. We have a financial incentive to maximize our compensation by seeking to reduce/minimize the total costs in accounts subject to a wrap fee.

Fees for the Program are either a flat annual percentage or tiered in accordance with the outline below. The highest annual fee we will charge is 1.25% of managed assets.

BASIC FEE TIERS

FROM	TO	MAXIMUM FEE TIER
\$0	\$1,000,000	1.25%
\$1,000,001	\$1,500,000	.75%
\$1,500,001	and higher	.50%



Northstar will bill Program fees quarterly, in advance, based upon the prior quarter-end total account market valuation provided by the account custodian. Clients can elect to be billed directly or, with written authorization to their qualified custodian, allow Northstar to automatically deduct fees from Program accounts. Clients should verify the accuracy of all fees paid by reviewing their custodian's statements.

Fees are negotiable and are not based on a share of capital gains upon, or capital appreciation of, the funds or any portion of the funds. Program fees could also be higher or lower than fees charged by other firms/sponsors for similar services.

Accounts initiated or terminated during a calendar quarter will be charged/refunded a prorated fee, (refunds will cover the unused portion of any prepaid advisory fee, from the date we receive written notice to terminate to the end of the quarterly period). Fees are not adjusted, however, for contributions or withdrawals made to/from existing accounts during any calendar quarter.

Other Costs

In addition to the Program fees, clients might also incur charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks, and other financial institutions. These charges include internal fees charged by mutual funds or money market funds, exchange-traded securities and REITs or LPs, as well as mark-ups or mark-downs priced in on fixed income securities or alternative investments, transfer fees, wire fees, foreign and/or transfer taxes, and exchange-related fees.

Clients in the Program are most likely to incur the costs of internal expenses for mutual funds held in their account(s), which vary by fund and are disclosed in the fund's prospectus. To help keep these costs low, Northstar utilizes institutional level, advisor-only or low-cost funds whenever possible for Program accounts. Clients should be aware that Northstar is required to pay a sur-charge to trade certain low-cost funds, and that this presents a conflict of interest as we have an incentive to recommend different funds or to trade surcharge eligible funds less frequently.

Additionally, Northstar pays transaction costs at Schwab for each trade executed in a wrap fee account. Due to our incurred transaction costs, we have a financial incentive to limit orders and trade less frequently in a wrap fee account.

Referrals to the Program

Northstar does not provide compensation to anyone for referring clients to our Asset Management Program.

ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

Individuals

The majority of our clients are individuals who seek comprehensive planning and investment advice. The Program is for individuals who want active investment management and monitoring. The minimum investment for individuals seeking Asset Management services is \$ 10,000.

Trusts & Other Entities

Northstar also provides Asset Management and cash flow planning services to Charitable and Irrevocable Trusts and closely held businesses established by existing clients as a separate service. The minimum investment for organizations/entities seeking this service is \$25,000.

PORTFOLIO MANAGER SELECTION AND EVALUATION

As mentioned above, Northstar uses the services of independent investment managers in certain instances, but for the most part the Program assets are managed directly by Northstar and its Advisory Representatives. Northstar requires education and experience in investments, insurance, taxation, and other related fields as the minimum standard for their Advisory Representatives, and all Supervised Persons must be appropriately licensed for securities and/or insurance. Advisory Representatives are encouraged to pursue study toward a Certified Financial Planner or Chartered Financial Analyst designation.

Advisory Representatives have different levels of experience, education and management styles. Northstar will sometimes assign accounts to different Advisory Representative in accordance with the region in which the client lives, but all clients may choose their primary Advisory Representative. All Advisory Representatives work as a team in the Program to design, develop and monitor Program assets. Neither Northstar nor any third party will review investment performance for any Advisory Representative.

Advisory Business

Prior to rendering any service, Northstar offers an Initial Consultation for all potential clients, who will receive questionnaires designed to clarify planning needs, as well as screen for investment risk tolerances, in preparation for consultation. Clients will also receive an analysis of current investments as a part of this consultation. The consultation and any analysis presented are free and there is no obligation to proceed with any of our services upon completion.

Northstar's Advisory services begin with the Strategic Plan, which is customized to client's goals and includes, at a minimum, a family net worth statement, an investment portfolio analysis, and illustrations of needs/risks.

The Strategic Plan forms the basis for our investment recommendations, as well as any ongoing services including our Asset Management Program. There is no obligation to proceed with any service offering upon delivery of a Strategic Plan, and clients may choose to implement the Strategic Plan, or any part thereof, through any other financial professional.

Northstar's Advisory services are designed to be long-term, and can include tax planning, estate planning, business planning, protection and insurance planning, retirement planning, education funding, cash flow, and/or employee benefits analysis, depending upon clients' needs. As part of this service, Northstar will review a client's entire financial situation on at least an annual basis and will be available as needed for consultations related to any aspect of their financial situation.

Investment management through our Asset Management wrap fee Program is on a discretionary basis, always reflecting stated risk tolerances and financial objectives. Recommendations/trades for all Program accounts could involve exchange listed stocks, mutual funds, exchange-traded funds, stock options, municipal or Government securities, corporate debt, partnership interests and warrants. In rare instances, Northstar may recommend investment in private placement offerings. Clients can impose restrictions as to the types of investments/securities held in Program accounts.

Northstar's representatives are also able to implement insurance recommendations in financial plans. Clients have no obligation to purchase insurance through these individuals. If client's do purchase insurance through our Supervised Persons, they will receive separate and typical compensation. This presents a conflict of interest in that they have an incentive to recommend insurance products in financial plans.

Performance Based Fees and Side-by-side Management

Compensation for the firm or any Advisory Representative is never based on a share of the capital gains upon, or capital appreciation of, the funds in any account.

Methods of Analysis, Investment Strategies, and Risk of Loss

Fundamental analysis is applied to equities to determine fair value of a stock and some exchange-traded funds by evaluating earnings, price and dividends paid, as well as key information from a company's balance sheet, income statement and overall financial condition. As applied to debt securities, credit history, duration and yield are all evaluated. Fundamental, fair value analysis can be applied both to individual companies and to industry sectors.

For mutual funds, which represent Northstar's typical investment and form the bulk of our client portfolios, fundamental analysis involves the evaluation of the fund manager against a specific set of criteria such as manager experience, methodology and personal investment (does the

manager invest in their own fund). Additionally, we measure overall cost and past performance relative to a peer group of similar managers. We will also evaluate and monitor Modern Portfolio Theory statistics such as Beta (risk) Alpha (reward) and Standard Deviation (volatility).

Despite our analyses and research, investment decisions made by Northstar's Advisory representatives are subject to various market, currency, economic, political, and business risks, such as

- *Interest-rate Risk*: Fixed income securities are subject to interest rate risk because the prices of fixed income securities tend to move in the opposite direction of interest rates. When interest rates rise, fixed income security prices fall. When interest rates fall, fixed income security prices rise. In general, fixed income securities with longer maturities are more sensitive to changes in interest rates. In addition, falling interest rates could cause a portfolio's income to decline.
- *Market Risk*: The price of a security, bond or mutual fund, or exchange-traded fund can drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's underlying circumstances
- *Inflation Risk*: When an inflationary economic environment exists, a dollar in the future does not buy as much as a dollar today will buy. This negatively impacts people on fixed incomes.
- *Currency Risk*: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country.
- *Reinvestment Risk*: This is the risk that future proceeds from investments may be reinvested at a potentially lower rate of return. This primarily relates to fixed income securities.
- *Liquidity Risk*: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product.
- *Business Risk*: These risks are associated with an industry or a particular company within an industry.
- *Financial Risk*: Excessive borrowing to finance the operations of a business increases risk because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations might result in bankruptcy and/or a declining market value.

Northstar's overall management philosophy is goals-based. Investment strategies utilized will reflect client's stated needs and goals and will differ from strategies used for different clients. Strategies can include short as well as long-term purchases of equities, debt instruments, mutual funds, and options. If clients have a low risk tolerance, or if capital preservation is a primary objective, emphasis will be on more passive, fixed-income strategies. For more aggressive or growth-oriented objectives, strategies will generally be more active and equity-based.

Active investment strategies generally carry more risk than passive strategies due to a greater frequency of transactions, which could involve additional costs such as transaction or exchange fees and taxes. Strategies involving options carry additional risk, as losses incurred may exceed

losses on the underlying stock and covered calls will make the underlying equity illiquid for the duration of the contract. On occasion, and at a client's request, we will buy and sell a security within 30 days or less (trading), but it is not a normal part of our strategies.

NOTE: Investing in securities involves risk of loss, which clients should be prepared to bear. There is no guarantee that any investment strategy implemented will be able to meet stated investment goals.

Voting Client Securities

For any security that entails a voting right in the underlying company, Northstar will not have or accept authority to vote on client's behalf. All voting issues, proxies, and solicitations will be communicated through client's broker-dealer/custodian. Upon request, however, we can help explain or answer questions regarding a given voting issue.

CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

Northstar and its Advisory Representatives will collect personal information from clients on a regular basis in the interest of appropriately managing accounts under the Program. Information we collect includes investment objectives and goals, personal information such as social security number, address, birth date and other information to verify client's identity, financial information such as net worth, income, liquid net worth, prior investment experience, employer information, etc.

During regular reviews, our Advisory Representatives will request information about investments held outside Northstar's purview, including updated statements, or ask to verify that the information that clients have previously provided is still current.

CLIENT CONTACT WITH PORTFOLIO MANAGERS

Northstar will contact clients about Program accounts at least once every quarter as we conduct our regular evaluations, but clients can contact their primary Advisory Representative or any Supervised Person at Northstar, at any time if they have a question or need assistance.

ADDITIONAL INFORMATION

Disciplinary Information

In March of 2015, Northstar Financial Companies, Inc. reported to the State of Florida's Office of Financial Regulation that the firm had been providing financial advice to more clients in the state than the current de minimis of five (5). As such, we self-reported our own violation of Florida regulatory statute, at which time the state opened administrative proceedings against our firm. We worked with the state to disclose all relevant information and, upon paying a fine of \$13,000, Northstar became registered as an advisor in the State of Florida in 2016.

We have retained the services of an independent Compliance Consultant/attorney to assist in developing policies to prevent such violations from occurring in the future.

Other Financial Industry Activities and Affiliations

Northstar Financial Companies Inc. is affiliated with A. H. Williams & Company, Inc., (AHWCO) an independently Registered Investment Adviser specializing in managing municipal bonds in a series of Separately Managed Accounts. Some of the shareholders of Northstar serve as officers and perform advisory functions for AHWCO.

Northstar might also recommend placing some or all of client account assets with AHWCO, our affiliated adviser, when a municipal bond trading strategy is deemed appropriate. Northstar will review the use of AHWCO with clients in advance, and formally open a separate account for this purpose. Clients are not obligated to use AHWCO for municipal bond trading, and Northstar will recommend other managers or funds for this strategy, which could have costs that are more or less than AHWCO and for which performance may be better or worse.

Recommending AHWCO for municipal bond trading represents a conflict of interest because AHWCO is a wholly owned subsidiary of Northstar and both firms will benefit. Northstar addresses this by disclosing this conflict in advance of opening a sub-advised account and keeping the fees the same regardless of manager affiliation.

While accounts managed by AHWCO are not part of the Program, Northstar will include those values in calculating the advisory fees paid by Program clients. AHWCO is paid a portion of advisory fees billed by Northstar, pro-rata in accordance with our sub-advisor agreement, and does not bill client accounts directly.

Also, AHWCO will refer clients to Northstar when planning is needed and consistent with the best interests of the client. No compensation will be paid by Northstar for these referrals, but Glenn A. Williams, the President of AHWCO, is also a shareholder of Northstar and so will indirectly benefit from these referrals.

Some of our Advisory representatives are also independent insurance agents and work with various insurance companies whose products they are licensed to sell. As such, our Advisory

representatives could recommend insurance products and, as agents, sell the products they recommend to advisory clients. A conflict of interest exists as there will be compensation for these transactions, which creates an incentive to recommend those products.

Northstar compensates all Supervised Persons on a salary basis, to mitigate any incentive advisors have to recommend specific services or products.

Clients are not obligated to utilize AHWCO Separately Managed Account programs for municipal income exposure, or to purchase insurance products through Northstar's Advisory representatives in this separate capacity.

Code of Ethics

Northstar has a Code of Ethics that reflects the fiduciary principles that govern our conduct, highlights the importance of trust and communication as the foundations of our relationship and establishes policies and procedures to ensure that Northstar and all its Supervised Persons place our clients' best interests above all else.

The Code of Ethics also requires Northstar and its Supervised Persons to follow industry "best practices" involving the handling of confidential information, insider trading, personal trading on the part of the Adviser or its representatives and the disclosure of conflicts of interest, among other things. All associates at Northstar must acknowledge the terms of the Code of Ethics annually, or as amended. A copy of our Code of Ethics is available upon request.

Participation or Interest in Client Transactions and Personal Trading

While Northstar Financial Companies Inc. does not execute principal trades (trades to or from our own account to any client) and has no proprietary investment offerings, certain of our Supervised Persons have a financial interest in recommended transactions that involve the purchase of insurance. As explained above, Advisory Representatives are also independent licensees of various insurance companies.

As such, recommendations for insurance can also be sold to advisory clients through our Advisory representatives' separate registrations or licenses. When this happens a conflict of interest exists, as he/she will be compensated based on these transactions, which can create an incentive to recommend those products. Northstar requires that all Advisory representatives disclose this conflict of interest when such recommendations are made, and that clients can purchase the recommended products through other representatives or agents not associated with Northstar if they wish.

Additionally, Supervised Persons may from time to time buy or sell securities for themselves that are also recommended to clients. This represents a potential conflict of interest, as we could benefit from an increase in price due to subsequent purchases for our clients' accounts.

To address this potential conflict, Northstar requires that all transactions made on behalf of its Supervised Persons are recorded, and that any similar trades for clients are placed ahead of

Northstar or its representatives. Northstar's Principal or Chief Compliance Officer will review these trades quarterly to ensure client interests are given the utmost priority and importance. Additionally, all Supervised Persons are prohibited from participating in any Initial Public Offering or trading any public company for which we have an *Insider* client, as well as any private placement or other illiquid offerings that are made to clients.

Review of Accounts

Account holdings for Wrap Program clients are monitored on a regular and continuous basis by their respective advisors together with Northstar's Investment Committee. Clients receive a report and analysis of their entire portfolio on a quarterly basis, including accounts that are not managed by Northstar (with a client's permission and assistance). Additionally, we are available to meet with clients at their convenience, whenever they have a concern.

Northstar's Supervised Persons review all Wrap Program account holdings on a quarterly basis in conjunction with calculating the fee or generating reports. We will typically recommend adjustments to client holdings at this time, but we will also provide an in-depth review at least annually to ensure Program portfolios still match clients' stated goals and risk tolerances.

Client Referrals and other Compensation

Northstar Financial Companies Inc. currently does not, directly or indirectly, pay compensation for referrals or solicitation of Advisory clients, nor do we receive any direct or indirect compensation for referring our clients to other professionals or firms.

Financial Information

Northstar does not bill for services more than six (6) months in advance, in any amount. However, registered investment advisers with discretionary authority who take custody, even in a limited capacity, are required to provide Clients with certain financial information or disclose their financial condition.

Northstar, its controlling owners, and its Supervised Persons have no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and nor has the firm or its Supervised Persons been the subject of a bankruptcy proceeding.