

FIRST WASHINGTON CORPORATION
Form ADV Part 3: Client Relationship Summary – June 30, 2020

Introduction

First Washington Corporation is registered with the Securities and Exchange Commission as an investment adviser and, as such, we provide advisory services rather than brokerage services. Brokerage and investment advisory services and fees differ, and it is important for you, our client, to understand the differences. Additionally, free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing. This document is a summary of the services we provide and how you pay for them. There are some suggested questions throughout this summary.

What investment services and advice can you provide me?

- We offer personalized investment advisory services to retail investors, including high net worth individuals, trusts, estates, foundations, charitable organizations, corporations, pension and profit-sharing plans. We provide advice regarding asset allocation and the selection of investments. Investment types advised upon or utilized may be, but are not limited to, equity securities, and United States government securities.
- Our advisory services are designed to assist you in developing and executing your investment strategy based upon your stated investment objectives and goals, risk tolerance and other factors. Such information must be provided by you to your financial professional in order for him/her to make appropriate investment recommendations and implement suitable investment strategies to meet your stated goals and objectives. Our qualified custodians will deliver account statements to you each month in paper or electronic form.
- If you open an investment account with our firm, as part of our standard service we will monitor your investments daily.
- We manage investment accounts on a discretionary basis whereby we will decide which investments to buy or sell for your account. In order to have discretionary services, you must sign an agreement with us in advance and our authority to act on your behalf is in effect until you ask that the arrangement ends. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account) by providing our firm with your restrictions and guidelines in writing.
- We do not invest in any proprietary offerings.
- We generally require a minimum amount of \$250,000 of assets under management. This minimum may be waived in certain situations.
- For additional information on our services, please see Form ADV, Part 2A brochure Items 4 and 7 <https://adviserinfo.sec.gov/firm/brochure/6681>

Conversation Starters: Given my financial situation, should I choose an investment advisory service?

Why or why not?

How will you choose investments to recommend to me?

What is your relevant experience, including your licenses, education, and other qualifications?

What do those qualifications mean?

What fees will I pay?

- Asset Based Fees – The fees that we charge are based on the value of your account. The more assets you have in your account, including cash, the more you will pay us. We therefore have an incentive to increase the assets in your account. You pay our fee quarterly even if we do not buy or sell.
- Clients may also pay additional fees and/or expenses. Examples of the most common fees and costs applicable to our clients are custodian fees, account maintenance fees, fees related to mutual funds and exchange-traded

funds, transaction charges when purchasing or selling securities; and other product-level fees associated with your investments.

- You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For detailed information, refer to our Brochure, Form ADV Part 2A <https://adviserinfo.sec.gov/firm/brochure/6681>

Conversation Starter: Help me understand how these fees and costs might affect my investments. If I give you \$500,000 to invest, how much will go to fees and costs, and how much will be invested for me?

What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice, we provide you. Here are some examples to help you understand what this means.

- We collect soft-dollar credits on discretionary stock trades in your account. This means you may pay a higher per-share commission. The broker we use to execute your trades sets a portion of this amount aside, which we use to pay for eligible expenses, such as research, which reduces our cost to access these services. For more information on our possible conflicts of interest please see our Brochure, Form ADV Part 2A: <https://adviserinfo.sec.gov/firm/brochure/6681>

Conversation Starter: How might your conflicts of interest affect me, and how will you address them?

How do your financial professionals make money?

Our financial professionals only source of income is a salary plus compensation based on a percentage of the investment advisory fees that we charge. We receive no additional compensation from commissions, proprietary products or incentive bonus schemes based upon sales volumes. This compensation will only vary based on an increase or decrease in your portfolio.

Do you or your financial professionals have legal or disciplinary history?

Yes, our firm and/or financial professionals have legal and disciplinary history. Visit Investor.gov/CRS for a free and simple search tool to research our firm and our financial professionals.

***Conversation Starters: As a financial professional, do you have any disciplinary history?
For what type of conduct?***

Additional Information

You can find additional information about our firm's investment advisory services on the SEC's website at www.adviserinfo.sec.gov by searching CRD #6681. You may also contact our firm at (206) 624-8320 to request a copy of this relationship summary and other up-to-date information.

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