



MAIN STREET RESEARCH LLC  
*Wealth Management*

## Customer Relationship Summary February 2024

### Item 1. Introduction

Since 1993 Main Street Research has been managing assets for a select group of families and foundations and is an investment adviser registered with the Securities and Exchange Commission. We provide advisory services for fees (rather than for brokerage commissions). As a retail investor, we encourage you to understand the important differences between services and fees of an investment adviser versus those of a broker-dealer. Free and simple tools to research firms and financial professionals, and educational materials about broker-dealers, investment advisers and investing, are available at [www.investor.gov/CRS](http://www.investor.gov/CRS).

### Item 2. Relationships and Services

#### ***What investment services and advice can you provide me?***

We provide investment advisory services, investment management and in-depth wealth planning to individuals, trusts, estates, charitable organizations, foundations, pension and profit-sharing plans, corporations, and other business entities. These services include day to day investment management as well as in-depth long-term wealth planning. Planning may include financial planning, review of estate planning and/or tax circumstances. For foundations and institutions this service includes review or construction of investment policy as well as other services such as those of an outsourced chief investment officer (OCIO). All our services are offered on a **discretionary** basis only – based on each client's specific goals and risk tolerance. This discretionary service allows clients to be alleviated from the day-to-day investment decisions– with the peace of mind that their financial affairs are being managed in their best interest.

Our minimum client relationship is currently \$1,000,000 however this minimum may be waived in certain circumstances. If our Performance-Based Fee is elected, our minimum client relationship must meet “qualified client” requirements as defined in Rule 205-3 of the Investment Advisers Act of 1940. **For additional information regarding our services, please see Items 5, 6 and 7 of our Form ADV Part 2A.**

#### ***Good questions to ask us:***

*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, other qualifications? What do these qualifications mean?*

### Item 3. Fees, Costs, Conflicts, and Standards of Conduct

#### ***What fees will I pay?***

At Main Street we offer two fee structures, **asset based and performance-based fees**.

The asset-based fee schedule starts at 1.2500% on the first \$2,000,000 on an annual basis and declines to .10% depending on asset value.

The performance-based fee schedule starts with a lesser management fee of .75% on the first \$2,000,000 on an annual basis and declines to .10% depending on asset value. It also incorporates a 5% profit allocation on “new profits” the portfolio generates with a watermark. The amount of profit allocation is dependent on the value of the assets and starts at 5% and scales down to 1% depending on level of assets. Management fees are billed quarterly in advance.

**As with all investment firms - clients pay some level of fee regardless of performance.** Fees and costs should be taken in consideration when entering an advisory relationship. **For additional information regarding your fees, please see Item 5 of our form ADV Part 2A**



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**A good question to ask us:**

*Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

***What are your legal obligations to me when acting as my investment adviser?***

When we act as your investment adviser and as a fiduciary, we are obligated to act in your best interest. This obligation is fulfilled by knowing each client, having, and following a specific investment policy and offering fee structures intended to align our interests with those of the clients.

***How else does your firm make money and what conflicts of interest do you have?***

Other than the fee structures described in this document we receive no other compensation.

Our performance-based fee structure creates a conflict of interest by creating an incentive for our firm to invest in securities which may be riskier than those that would be recommended under a different fee arrangement. To avoid such conflict, we purposely manage both traditional fee and performance fee clients in the same manner.

Charles Schwab and US Bank act as our primary and only custodians for our client assets. Charles Schwab recommends clients to our firm through the Schwab Advisor Network program. A portion of referred client fees are paid to Schwab as a referral fee. If the client decides to leave Schwab or US Bank, we will be unable to continue to work with that client.

**For additional information, please see Items 6 and 12 of our Form ADV Part 2A.**

**A good question to ask us:**

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

***How do your financial professionals make money?***

Our firm and team are compensated by fees based on assets and performance. When the clients do well – we do well. This creates an incentive to increase client assets which in turn increases our compensation resulting in a conflict of interest. We have a process in-house to mitigate this conflict of interest. It is imperative that clients receive regular reporting and meet with their advisor regarding their goals and risk tolerance to further ensure that such conflicts are mitigated.

**Item 4. Disciplinary History**

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

No. Please visit [Investor.gov/CRS](https://investor.gov/CRS), for a free and simple tool to research our firm and financial professionals.

**A good question to ask us:**

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

**Item 5. Additional Information**

For additional information regarding our fees, services, and conflicts, please see our Form ADV Part 2A, or visit our website at [www.ms-research.com](http://www.ms-research.com). Please contact us at [msr@ms-research.com](mailto:msr@ms-research.com) or 415-289-1010 for more up-to-date information or to request a copy of this client relationship summary.

**A good question to ask us:**

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



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**EXHIBIT A**

The following material changes have been made to this Form CRS since the last version dated June 2020:

What investment services and advice can you provide me?

If our Performance-Based Fee is elected, our minimum client relationship must meet “qualified client” requirements as defined in Rule 205-3 of the Investment Advisers Act of 1940.

Clients and prospective clients are strongly encouraged to review this Form CRS very carefully and encouraged to ask questions.