

## MAIN STREET FINANCIAL SOLUTIONS, LLC

*a Registered Investment Adviser*

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This brochure provides information about the qualifications and business practices of Main Street Financial Solutions, LLC (hereinafter “Main Street Financial Solutions” or the “Firm”). If you have any questions about the contents of this brochure, please contact the Firm at the telephone number listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about the Firm is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Main Street Financial Solutions is a registered investment adviser. Registration does not imply any level of skill or training.

## Item 2. Material Changes

In this Item, Main Street Financial Solutions (or the “Firm”) is required to discuss any material changes that impact the Firm and/or its clients since our last annual amendment dated March 23, 2023. The Firm has the following material changes to disclose.

Item 4. Advisory Business. Alternative Investments. The Firm works with CAIS Capital, LLC and Capital Integration Systems LLC (collectively “CAIS”) and Institutional Capital Network, Inc. (“iCapital”) and has granted Advisory Representatives access to their alternative investment platforms.

Item 5. Fees and Compensation. UPTIQ Referral Compensation. The Firm has entered into a relationship with UPTIQ, an unaffiliated internet-based lending platform providing a large network of lenders who can assist our clients with a variety of different types of personal and business loans (i.e., mortgage, home equity, auto, commercial, working capital, etc.).

Item 5. Fees and Compensation. General promotional activities. Marketing representatives of product sponsors and service providers, often referred to as “wholesalers”, work with the Firm's financial advisors and their branch office managers to promote their services.

Item 8. Risk of Loss. Alternative Investments. Investing in alternative investments, such as private placements or real estate, involve specific risks that may be greater than those associated with traditional investments...

Item 12. Brokerage Practices. Expanded on The Custodians and Brokers we use.

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## Item 4. Advisory Business

Main Street Financial Solutions (or the “Firm”) offers a variety of advisory services, which include financial planning, consultation services, and investment management services. Prior to Main Street Financial Solutions rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with Main Street Financial Solutions setting forth the relevant terms and conditions of the advisory or consulting relationship.

Main Street Financial Solutions was originally formed in New Jersey in June 2002 and, in January 2018, was domiciled in Pennsylvania. The Firm is principally owned by Brett Danko. The Firm was originally registered as an investment adviser in 2009. As of December 31, 2023, Main Street Financial Solutions had \$1,770,646,602 in regulatory assets under management, \$1,738,108,010 of which was managed on a discretionary basis and \$32,538,592 of which was managed on a non-discretionary basis.

While this brochure generally describes the business of Main Street Financial Solutions, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm’s officers, partners, directors, financial professional (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on Main Street Financial Solutions’ behalf and is subject to the Firm’s supervision or control.

### Financial Planning

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Main Street Financial Solutions offers clients a broad range of financial planning and consultation services, which may include a review of goals and objectives, analysis and recommendations for cash flow planning, asset allocation/investment planning, income tax planning, insurance planning, estate planning, retirement planning, education planning, stock option planning, and real estate/mortgage planning. Main Street Financial Solutions does not, however, furnish legal or tax advice. Investors requiring legal or tax advice are encouraged to consult their legal or tax professional in these matters. Prior to engaging Main Street Financial Solutions to provide any of these services, the prospective investor is required to enter into a advisory agreement with the Firm setting forth the terms and conditions of the client engagement and describing which specific financial planning and consultation services will be provided.

In performing these services, Main Street Financial Solutions is not required to verify any information received from the client or from the client’s other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information. Main Street Financial Solutions recommends certain clients engage the Firm for additional related services, its Supervised Persons in their individual capacities as insurance agents or registered representatives of a broker-dealer and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists for the Firm to recommend that clients engage Main Street Financial Solutions or its affiliates to provide (or continue to provide) additional services for compensation, including investment management services.

Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by Main Street Financial Solutions under a financial planning engagement. Clients are advised that it remains their responsibility to promptly notify the Firm of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Main Street Financial Solutions' recommendations and/or services.

## **Investment and Wealth Management Services**

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Main Street Financial Solutions manages client investment portfolios on a discretionary or non-discretionary basis.

Main Street Financial Solutions primarily allocates client assets among various mutual funds, exchange-traded products, including exchange-traded funds ("ETFs") and exchanged-traded notes ("ETNs"), individual debt and equity securities, options and independent investment managers ("Independent Managers") in accordance with their stated investment objectives.

Clients can engage Main Street Financial Solutions to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as life insurance, annuity contracts and assets held in employer sponsored retirement plans or qualified tuition plans (e.g., 529 plans). In these situations, Main Street Financial Solutions directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product's provider.

Main Street Financial Solutions tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. Main Street Financial Solutions consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify Main Street Financial Solutions if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients can impose reasonable restrictions or mandates on the management of their accounts if Main Street Financial Solutions determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts.

## **Use of Independent Managers**

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As mentioned above, Main Street Financial Solutions selects certain Independent Managers to actively manage a portion of its clients' assets. The specific terms and conditions under which a client engages an Independent Manager may be set forth in a separate written agreement with the designated Independent Manager. In addition to this brochure, clients may also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets.

Main Street Financial Solutions evaluates a variety of information about Independent Managers, which includes the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves and other third-party analyses it believes are reputable. To the extent possible, the Firm seeks to assess the Independent Managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposure. Main Street Financial Solutions also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors.

Main Street Financial Solutions continues to provide services relative to the discretionary or non-discretionary selection of the Independent Managers. On an ongoing basis, the Firm monitors the performance of those accounts being managed by Independent Managers. Main Street Financial Solutions seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

### **Retirement Plan Consulting Services**

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Main Street Financial Solutions provides various consulting services to qualified employee benefit or defined contribution plans and their fiduciaries. This suite of institutional services is designed to assist plan sponsors in structuring, managing and optimizing their corporate retirement plans. Each engagement is individually negotiated and customized, and includes any or all of the following services:

- Plan Design and Strategy
- Plan Review and Evaluation
- Executive Planning & Benefits
- Investment Selection
- Plan Fee and Cost Analysis
- Plan Committee Consultation
- Fiduciary and Compliance
- Participant Education

As disclosed in the advisory agreement, certain of the foregoing services are provided by Main Street Financial Solutions as a fiduciary under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). In accordance with ERISA Section 408(b)(2), each plan sponsor may require an additional contractual agreement that includes a written description of Main Street Financial Solutions' fiduciary status, the specific services to be rendered and all direct and indirect compensation the Firm reasonably expects under the engagement.

### **Alternative Investments**

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The Firm works with CAIS Capital, LLC and Capital Integration Systems LLC (collectively "CAIS") and Institutional Capital Network, Inc. ("iCapital") and has granted Advisory Representatives access to their alternative investment platforms. CAIS, iCapital and their affiliates conduct the initial and on-going due diligence (investment and operational) on private equity and hedge fund offerings available on their platforms. The Firm relies on the due diligence provided by CAIS and iCapital related to the offerings

available on their platforms. Please note that with privately held alternatives valuations can lag a month or more and are received from the issuer's or offerings' third-party administrator. The fee billing calculation uses this data to calculate the Program Fee (as defined below in Item 5 Fees and Compensation). Please refer to Item 5 Fees and Compensation for additional information on fee calculation. The Firm will allow a fee to be charged on an Alternative Investment (Regulation D product) position in an advisory account with a proper Client Agreement on file. The position cannot be one where a commission and a fee is charged.

## **Item 5. Fees and Compensation**

Main Street Financial Solutions offers advisory services on a fee basis, which includes consulting arrangements fixed and/or hourly fees, as well as fees based upon assets under management or advisement. Additionally, certain of the Firm's Supervised Persons, in their individual capacities, offer securities brokerage services and/or insurance products under a separate commission-based arrangement.

### **Financial Planning and Consulting Fees**

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Main Street Financial Solutions charges a fixed fee for providing financial planning and consulting services under a stand-alone engagement. These fees are negotiable but typically range from \$300 to \$15,000 on a fixed fee basis depending upon the scope and complexity of the services and the professional rendering the financial planning and/or the consulting services. Main Street Financial Solutions also provides hourly financial planning at a pre-negotiated hourly rate. If the client engages the Firm for additional investment advisory services, Main Street Financial Solutions may offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services.

The terms and conditions of the financial planning and/or consulting engagement are set forth in an advisory agreement. Main Street Financial Solutions requires one-half of the fee (estimated hourly or fixed) payable upon execution of the advisory agreement. The outstanding balance is due upon delivery of the financial plan or completion of the agreed upon services. The Firm does not, however, take receipt of \$1,200 or more in prepaid fees in excess of six months in advance of services rendered.

### **Investment Management Fees**

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Main Street Financial Solutions offers investment management services for an annual fee based on the amount of assets under the Firm's management. This management fee varies and may reach an upper limit of 2.00% depending upon the size and composition of a client's portfolio, the type of services rendered, and the specific investment adviser representative assigned to work with that client. The annual management fee is prorated and charged quarterly (unless otherwise agreed upon), in advance or arrears depending on the advisory account, and the asset based fee is based upon the market value of the assets being managed by Main Street Financial Solutions on the last day of either the prior or current billing period, as applicable.

The Firm includes cash in a client's account in determining the valuation for billing purposes. The Firm may, in its sole discretion, not include cash in determining the fee, especially where a client has a high percentage of cash for reasons other than the Firm's investment management decision. For the initial period of an engagement, the fee is calculated on a *pro rata* basis. In the event the advisory agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

Additionally, for asset management services the Firm provides with respect to certain client holdings (e.g., held-away assets, accommodation accounts, alternative investments, etc.), Main Street Financial Solutions may negotiate a fee rate that differs from the range set forth above. Clients are advised that a conflict of interest exists for the Firm to recommend that clients engage Main Street Financial Solutions for additional services for compensation, including rolling over retirement accounts or moving other assets to the Firm's management. Clients retain absolute discretion over all decisions regarding engaging the Firm and are under no obligation to act upon any of the recommendations.

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**Fixed/Flat Fees for Clients**

For certain clients, the Firm charges a fixed fee that is individually negotiated and based on the needs, complexity, and net worth of the client. In these relationships, the Firm may be managing a limited amount of the client's assets but would also be providing advice with respect to other assets that the Firm does not manage. The advisor negotiates and may periodically adjust the fixed fee with the client's approval. The client provides our advisor access to or information on assets and agrees to the fixed fee.

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**Retirement Plan Consulting Fees**

Main Street Financial Solutions charges an asset-based fee that varies, but generally does not exceed 2%, to provide clients with retirement plan consulting services. The scope of each engagement is individually negotiated and tailored to accommodate the needs of the individual plan sponsor, as memorialized in an agreement.

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**Fee Discretion**

Main Street Financial Solutions does not maintain a uniform policy concerning the acceptance and/or billing practice for assets acquired prior to the onboarding of a Firm client (or "Legacy Assets"). The Firm's financial professionals have sole discretion to accept Legacy Assets to determine whether these assets are to be billed including the applicable fee. In these circumstances, the financial professionals will document the Legacy Assets arrangement as an exhibit to the advisory agreement.

Main Street Financial Solutions may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities.



Additionally, Main Street Financial Solutions retains the discretion to vary the fee based on the investment adviser representative assigned to work with a particular client. Main Street Financial Solutions does not maintain a uniform policy for breakpoints insofar as which asset levels fee discounts are achieved and/or which advisory accounts are included in the assets under management total used to calculate the advisory fees. In general, accounts for which the investor and his or her household members are beneficial owners will be included in the fee calculations; however, our Firm's financial professionals may also include other accounts at their discretion.

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**Additional Fees and Expenses**

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In addition to the advisory fees paid to Main Street Financial Solutions, clients also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges include securities brokerage transaction fees, custodial fees, reporting charges, fees charged by the Independent Managers, margin costs, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (*e.g.*, fund management fees and other fund expenses), 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. The Firm's brokerage practices are described at length in Item 12, below.

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**Direct Fee Debit**

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Clients provide Main Street Financial Solutions and/or certain Independent Managers with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to Main Street Financial Solutions. Main Street Financial Solutions' financial professionals may also agree to fee payment arrangements other than direct debit subject to their discretion.

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**Use of Margin**

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Main Street Financial Solutions can be authorized to use margin in the management of the client's investment portfolio. In these cases, the fee payable will be assessed gross of margin such that the market value of the client's account and corresponding fee payable by the client to Main Street Financial Solutions will be increased. This poses a conflict of interest because Main Street Financial Solutions has an incentive to recommend the use of margin to increase the fee. The advisor will maintain client notes to evidence that recommendations to use margin are in the client's best interest and the CCO will periodically verify.

### **Account Additions and Withdrawals**

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Clients can make additions to and withdrawals from their account at any time, subject to Main Street Financial Solutions' right to terminate an account. Additions can be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or declines to accept particular securities into a client's account. Clients can withdraw account assets on notice to Main Street Financial Solutions, subject to the usual and customary securities settlement procedures. However, the Firm designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. Main Street Financial Solutions may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

### **Transaction Fees and Sales Charges for Recommendations of Securities**

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Clients can engage certain persons associated with Main Street Financial Solutions (but not the Firm directly) to render securities brokerage services under a separate transaction-based arrangement. Clients are under no obligation to engage such persons and may choose brokers or agents not affiliated with Main Street Financial Solutions.

Under this arrangement, the Firm's Supervised Persons, in their individual capacities as registered representatives of Purshe Kaplan Sterling Investments ("PKS"), an independent and unaffiliated broker-dealer registered with the SEC and a member of FINRA and the SIPC. Those individuals who are registered with Main Street Financial Solutions as investment advisory representatives ("IARs") and as brokerage agents with PKS may, through their association with PKS, provide securities brokerage services and implement securities transaction under separate transaction-based arrangement. Brokerage agents of PKS are entitled to a portion of the brokerage fees paid to PKS, as well as a share of any ongoing distribution or service (trail) fees from the sale of mutual funds. Main Street Financial Solutions may also recommend no-load or load-waived funds, where no sales charges are assessed. Prior to effecting any transactions under this type of arrangement, clients are required to enter into a separate account agreement with PKS and receive the Form CRS issued by PKS.

A conflict of interest exists to the extent that a Supervised Person of Main Street Financial Solutions recommends the purchase or sale of securities through a brokerage relationship where that Supervised Persons receives commissions or other additional compensation as a result of that recommendation (the "Brokerage Relationship"). Because the Supervised Persons receive compensation in connection with the sale of securities in the Brokerage Relationship, a conflict of interest exists as such Supervised Persons, have an incentive to recommend more expensive securities or services to clients where such Supervised Persons earn more compensation with respect to the sale of such securities through the Brokerage Relationship rather than through an advisory relationship with the Firm. The Firm has procedures in place to ensure that any recommendations made by such Supervised Persons to engage in the Brokerage Relationship are in the best interest of that client. Clients should understand that the investments made in

the Brokerage Relationship are not receiving advisory services from the Firm. Therefore, the Firm does not have a fiduciary duty over the Brokerage Relationship recommendations.

Financial professionals that are IARs of Main Street Financial Solutions and are also licensed as insurance agents may solicit traditional insurance and fixed annuities they deem suitable to investors upon obtaining information necessary to make a recommendation in their client's best interest. In doing so, our Firm's financial professionals are operating as insurance agents separate and apart from their duties of IARs with Main Street Financial Solutions. As such, Main Street Financial Solutions receives no compensation from insurance-related transactions, nor does it provide direct supervision of these activities but does require the IAR/Agent to disclose this work as an outside business activity under our Firm's Code of Ethics (which is further described in Item 11 of this Brochure) and on their Form ADV Part 2B ("Brochure Supplement"). Financial professionals of Main Street Financial Solutions that operate as licensed insurance agents are subject to the laws of the states in which they conduct insurance business.

### **UPTIQ Referral Compensation**

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The Firm has entered into a relationship with UPTIQ, an unaffiliated internet-based lending platform providing a large network of lenders who can assist our clients with a variety of different types of personal and business loans (i.e., mortgage, home equity, auto, commercial, working capital, etc.). UPTIQ's platform seeks to match the client with those lenders who can best fulfill the client's borrowing needs. Once matched with a lender, UPTIQ's platform serves to help facilitate the loan application and fulfillment process. UPTIQ is compensated only by the lender. UPTIQ offers to share a portion of its compensation with the Firm. Should the Firm agree to accept such compensation, a conflict of interest is presented because the Firm's prospective receipt of compensation provides the Firm with an economic incentive to introduce the client to UPTIQ. No portion of any loan proceeds will be knowingly accepted by the Firm for investment purposes. No client is under any obligation whatsoever to utilize UPTIQ's services. There can be no assurance that the lending terms obtained via the UPTIQ platform will be more favorable than those available from non-platform lenders. The client remains free to consider/evaluate/utilize other lenders and platforms, and, to the extent reasonably requested, the Firm shall remain available to help assist the client with such evaluation process. It shall remain the client's exclusive obligation to repay the loan. The lender shall have recourse against the client in the event that the client fails to meet repayment obligations, including, depending upon the type of loan, recourse to the client's personal or business property, or investment accounts. Neither UPTIQ, nor the Firm, serves as a lender. Neither UPTIQ, nor the Firm, is registered or licensed as a lender or lending broker with any state or federal regulatory agency or authority. The Firm does not provide any services on behalf of UPTIQ. In the event that a client desires to utilize the UPTIQ platform, the client will receive a separate Acknowledgement from the Firm for review and execution.

### **General Promotional Activities**

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Marketing representatives of product sponsors and service providers, often referred to as “wholesalers”, work with the Firm's financial advisors and their branch office managers to promote their services. The Firm and its representatives may receive promotional items, reimbursement for promotional items, meals, entertainment or other non-cash compensation from product sponsors or service providers. Consistent with applicable laws and regulations, these product sponsors and service providers may pay for or provide training and educational programs for Main Street Financial Solutions’ financial advisors and their existing and prospective clients. Clients or potential investors that attend a training or educational meeting offered by their financial advisor where a product sponsor is in attendance should assume that the product sponsor has paid or reimbursed the Firm for part or all of the total cost of the meeting or event, including travel costs. Non-cash compensation can vary by vendor and event. The receipt of cash and non-cash compensation from product sponsors and other service providers creates an incentive for financial advisors to recommend certain investment products over others.

## **Item 6. Performance-Based Fees and Side-by-Side Management**

Main Street Financial Solutions does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client’s assets). Certain investment offerings recommended by Main Street Solutions may assess performance-based fees but neither Main Street Financial Solutions nor its Supervised Persons receive compensation from the sponsor or other parties affiliated with the offering.

## **Item 7. Types of Clients**

Main Street Financial Solutions offers services to individuals, high net worth investors, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities.

## **Item 8. Methods of Analysis, Investment Strategies and Risk of Loss**

### **Methods of Analysis and Investment Strategies**

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Main Street Financial Solutions uses an academic-based investment strategy that focuses on using multiple assets classes. A basic assumption is that markets are highly efficient most of the time and they quickly incorporate new information into security prices. Hence, investment strategies focus on using mutual funds and low- cost passively managed exchange-traded funds. Where appropriate, however, Main Street Financial Solutions may recommend higher cost actively managed mutual funds, as well as individual stocks, bonds, and options.

Financial professionals of Main Street Financial Solutions, where the Firm has been granted the authority to manage the assets on a discretionary basis, make all of the investment decisions on behalf of the client based on their knowledge of their specific preferences, individual circumstances, and risk tolerance. Main Street Financial Solutions supervises these employees to ensure that their investment decisions are consistent with the client's risk profile, investment objectives and financial information as provided to the Firm at onboarding and updated as necessary.

### **Risk of Loss**

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Investors may be rewarded in proportion to the risk they take based on several factors: their exposure to the equity markets, their exposure to small company stocks relative to large company stocks, and their exposure

to lower-priced (or value) stocks relative to higher-priced (or growth) stocks. Where debt investments are recommended, investors may be rewarded for credit risk, interest rate risks, and other various risks described below.

#### *Market Risks*

Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of Main Street Financial Solutions' recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. There can be no assurance that Main Street Financial Solutions will be able to predict those price movements accurately or capitalize on any such assumptions.

#### *Mutual Funds and Exchanged Traded Products*

An investment in a mutual fund or exchange traded product, including an exchange traded fund ("ETF") or exchange-traded note ("ETN") involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss. Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least

once daily for indexed based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

ETNs are unsecured debt obligations of financial institutions that trade on a securities exchange. ETN payment terms are linked to the performance of a reference index or benchmark, representing the ETN's investment objective. ETNs are complex and involve many risks for interested investors, and can result in the loss of your entire investment.

#### *Use of Independent Managers*

As stated above, Main Street Financial Solutions selects certain Independent Managers to manage a portion of its clients' assets. In these situations, Main Street Financial Solutions continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, Main Street Financial Solutions does not have the ability to supervise the Independent Managers on a day-to-day basis.

#### *Use of Margin*

While the use of margin borrowing can substantially improve returns, it may also increase overall portfolio risk. Margin transactions are generally effected using capital borrowed from a Financial Institution, which is secured by a client's holdings. Under certain circumstances, a lending Financial Institution may demand an increase in the underlying collateral. If the client is unable to provide the additional collateral, the Financial Institution may liquidate account assets to satisfy the client's outstanding obligations, which could have extremely adverse consequences. In addition, fluctuations in the amount of a client's borrowings and the corresponding interest rates may have a significant effect on the profitability and stability of a client's portfolio.

#### *Options*

Options allow investors to buy or sell a security at a contracted "strike" price at or within a specific period of time. Clients may pay or collect a premium for buying or selling an option. Investors transact in options to either hedge (i.e., limit) losses in an attempt to reduce risk or to speculate on the performance of the underlying securities. Options transactions contain a number of inherent risks, including the partial or total loss of principal in the event that the value of the underlying security or index does not increase/decrease to the level of the respective strike price. Holders of options contracts are also subject to default by the option writer which may be unwilling or unable to perform its contractual obligations.

*Interest Rate Risk*

Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

*Inflation Risk*

When inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

*Currency Risk*

Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

*Reinvestment Risk*

This is the risk that future proceeds from investments may have to be reinvested at a potentially lower interest rate. This primarily relates to fixed income securities during periods of declining interest rates.

*Business Risk*

These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy and complex process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

*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. For example, Treasury Bills are highly liquid, while real estate properties are not.

*Financial Risk*

Excessive borrowing to finance a business' operations increases the risk of profitability, 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 may result in bankruptcy and/or a declining market value.

*Socially Responsible Investing Risks*

In addition to standard investment risks, a Socially Responsible Investing ("SRI" or sometimes referred to as Environmental, Social and Governance "ESG") strategy can limit the types and number of investment



opportunities available and, as a result, the strategy may underperform others that do not follow an SRI strategy. An SRI strategy may result in investing in securities or industry sectors that underperform the market as a whole or underperform other investments screened for SRI standards. In addition, an SRI strategy may result in underweighting or overweighting sectors, style factors or security concentration risk. The Firm's SRI investing approach involves relying on unaffiliated advisers to conduct or support the underlying SRI analysis. SRI analysis will only be one factor in determining the investments in the SRI strategy. The Firm can still use other long-standing strategies that may seem inconsistent with an SRI strategy where the Firm determines it is in the client's best interest.

#### *Digital Assets Risks*

A digital currency is an identifiable exchangeable asset without physical substance. A cryptocurrency, which is a type of digital currency, is available solely in digital form, and for the most part is decentralized and not subject to any government control. Investing in digital assets comes with significant risk of loss

(including complete loss) that clients should be prepared to bear, including, but not limited to, volatile market price swings or flash crashes, market manipulation, economic, regulatory, technical, and cybersecurity risks. In addition, digital currency markets and exchanges are not regulated with the same controls or customer protections available when investing in traditional asset classes. A highlight of some, but not all, of the risks associate with digital currency is immediately below:

#### *Volatility Risk*

Digital currency is a speculative and volatile investment asset. Investors should be prepared for volatile market swings and prolonged bear markets. Digital currency can have higher volatility than other traditional investors such as stocks and bonds and market movements can be difficult to predict.

#### *Economic Risk*

The economic risk associated with digital currency includes the lack of widespread or continuing digital currency adoption. The market and investors could decide that digital currency should not be valued at the current market capitalization due to a variety of factors.

#### *Regulatory Risk*

Digital currency could be banned or highly regulated by governments that would deter investors from buying or holding digital currency.

#### *Technical Risk*

Digital currency is a dynamic network with a codebase that is updated to add new security and functionality features. The updated code that is merged by the core developers could potentially have an error that



threatens the security or functionality of the digital currency network.

#### *Cybersecurity Risk*

Digital currency exchanges and wallets have been hacked and digital currency has been stolen in the past. This is a potential risk that clients must be comfortable with when investing and holding digital currency. Theft is less likely, but still possible, when holding digital currency at a qualified custodian in offline systems (cold storage) with institutional security and controls.

#### *Alternative Investments*

Investing in alternative investments, such as private placements or real estate, involve specific risks that may be greater than those associated with traditional investments, including:

- Alternatives may have limited liquidity due to lock-up periods and lack of markets.
- Many alternatives have high cost of entry, requiring hefty minimum purchases.
- Such products employ potentially speculative investment strategies.
- Changes in tax laws may impact the performance.
- Many alternatives have different regulatory and reporting requirements

The Firm allows these limited liquidity positions to be managed under an advisory agreement and charged an advisory fee with a properly executed Client Agreement. These holdings will affect performance and client reports may be inaccurate because the values of the positions are generally not priced on a regular basis.

## **Item 9. Disciplinary Information**

Main Street Financial Solutions has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management.

## **Item 10. Other Financial Industry Activities and Affiliations**

This item requires investment advisers to disclose certain financial industry activities and affiliations.

### **Registered Representatives of a Broker-Dealer**

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Certain of the Firm's Supervised Persons are registered representatives of Purshe Kaplan Sterling Investments ("PKS") and provide clients with securities brokerage services under a separate commission-based arrangement. This arrangement is described at length in Item 5.

**Licensed Insurance Agencies**

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Main Street Financial Solutions' financial professionals include individuals that operate also as licensed insurance agents through our Firm's affiliate, Superior Cove Insurance Services, LLC ("Superior Cove"), and/or non-affiliated insurance agencies. Licensed insurance agents operating under Superior Cove are subject to insurance laws in the state(s) they conduct business, which consists exclusively of transacting traditional insurance and fixed annuity business in exchange for commissions. Neither Main Street Financial Solutions nor Superior Cove offer fee-based insurance or annuity products. The Firm has procedures in place whereby it seeks to ensure that recommendations made by our financial professionals are made in our clients' best interest. However, these policies do not provide for supervision of Main Street Financial Solutions' financial professionals operating in their capacity as licensed insurance agents. The insurance-related activities performed by licensed agents under Superior Cove are classified under Main Street Financial Solutions policies as "other business activities", and therefore, not directly supervised by Main Street Financial Solutions. Insurance agents affiliated with Superior Cove are subject to state laws in the jurisdictions they provide insurance business.

Separately, certain Main Street Financial Solutions' financial professionals that are registered representatives of PKS, an independent and unaffiliated broker-dealer, conduct insurance business through insurance carriers that offer both variable/traditional insurance and variable/fixed annuities to investors in exchange for commissions. Insurance-related activities performed in connection with insurance carriers for which PKS has agreements in place are subject to the supervision of PKS employees as required under FINRA rules and applicable state laws.

A conflict of interest exists for our Firm's financial professionals, to the extent that they recommend the purchase of insurance or annuity products where he or she, in their capacity as a licensed insurance agent, is entitled to insurance commissions.

**Fees from Independent Managers**

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As discussed above, Main Street Financial Solutions recommends that certain clients authorize the active discretionary management of a portion of their assets by and/or among certain Independent Managers. In certain circumstances the Firm's compensation is included in the advisory fee charged by such Independent Managers. There is a conflict of interest to choose such Independent Managers; however, Main Street Financial Solutions evaluates Independent Managers objectively and not based on the amount of compensation it may receive from a particular Independent Manager.

## Item 11. Code of Ethics

Main Street Financial Solutions has adopted a code of ethics in compliance with applicable securities laws (“Code of Ethics”) that sets forth the standards of conduct expected of its Supervised Persons who are designated as “Access Persons” as that term is defined in Rule 204A-1 of the Investment Advisers Act of 1940. Main Street Financial Solutions’ Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices such as the use of material non-public information by the Firm or any of its Access Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires Main Street Financial Solutions’ Access Persons to report, where applicable, the personal securities holdings and transactions of themselves and covered related persons (e.g. members of the same household) and obtain pre-approval from the Chief Compliance Officer (CCO or designee) of certain investments (e.g., initial public offerings, limited offerings). However, the Firm’s Access Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with the Firm’s policies and procedures. The practice of trading alongside the investor in the same security is permitted by the Firm to ensure that the Access Persons and our investors receive the same execution price. The Firm’s Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated below.

When the Firm is engaging in or considering a transaction in any security on behalf of a client, no Access Person with access to this information may knowingly effect for themselves or for their immediate family (i.e., spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Access Person is completed as part of a batch trade with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to personal securities accounts that are not subject to the Code of Ethics, including, accounts in which the Access Person (or Related Person) does not have discretionary authority and the following personal securities transactions: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers’ acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact Main Street Financial Solutions at the phone number on the cover of this brochure to request a copy of its Code of Ethics.

## Item 12. Brokerage Practices

### Recommendation of Broker-Dealers for Client Transactions

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Main Street Financial Solutions recommends that clients utilize the custody, brokerage and clearing services of Charles Schwab & Co, Inc. through its Schwab Advisor Services division (“Schwab”), Pershing Advisor Solutions (“Pershing”), SEI Investments Distribution Co. (“SEI”), National Financial Services LLC and Fidelity Brokerage Services LLC (together with affiliates, “Fidelity”), (each a “Custodian” and together, the “Custodians”) for investment management accounts serviced by our Firm and our financial professionals.

The final decision to custody assets with a Custodian is at the discretion of the client, including those accounts subject to The Employee Retirement Income Security Act of 1974 (“ERISA”) regulations and/or rules specific to individual retirement accounts (“IRAs”), in which case the client is acting as either the plan sponsor or IRA accountholder. Main Street Financial Solutions is independently owned and operated and not affiliated with any Custodian. The Custodians all provide Main Street Financial Solutions with access to their institutional trading and custody services, which are typically not available to retail investors.

Factors which Main Street Financial Solutions considers in recommending a Custodian to clients include their respective financial strength, reputation, execution, pricing, research and service. Each of the Custodians enable the Firm to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. In certain situations, each Custodian has also agreed to reimburse clients of

new advisors transitioning to the firm for exit fees associated with moving accounts to the Custodian, up to a certain limit. Fees are reimbursed on a first-come-first-served basis so that no clients are favored. The transaction fees charged by a Custodian may be higher or lower than those charged by other Financial Institutions. Each Custodian’s agreement was based on that Custodian’s expectation that client assets held with the Custodian would increase. This arrangement creates a conflict of interest because the firm has an incentive to recommend the Custodians over other Financial Institutions. Nonetheless, the Firm has determined that it is consistent with its fiduciary duty to act in its clients’ best interest to recommend these Custodians.

The transaction fees paid by Main Street Financial Solutions’ clients to the Custodians comply with the Firm’s duty to obtain “best execution.” Clients may pay transaction fees that are higher than another qualified Financial Institution might charge to effect the same transaction where Main Street Financial Solutions determines that the transaction fees are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution’s services, including among others, the value of research provided, execution capability, commission rates and responsiveness. Main Street Financial Solutions seeks competitive rates

but may not necessarily obtain the lowest possible commission rates for client transactions.

Consistent with obtaining best execution, brokerage transactions are directed to certain broker-dealers in return for investment research products and/or services which assist Main Street Financial Solutions in its investment decision-making process. Such research will be used to service all of the Firm's clients, but transaction fees paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because Main Street Financial Solutions does not have to produce or pay for the products or services.

Main Street Financial Solutions periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

### **The Custodians and Brokers we use**

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Main Street Financial Solutions does not maintain custody of your assets that we manage, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15—Custody, below). Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank.

We are independently owned and operated and are not affiliated with any custodian. Your custodian will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that you use one of the custodians we utilize as custodian/broker, you will decide whether to do so and will open your account with that custodian by entering into an account agreement directly with them. Conflicts of interest associated with this arrangement are described below as well as in Item 14 (Client referrals and other compensation). You should consider these conflicts of interest when selecting your custodian.

We do not open the account for you, although we may assist you in doing so. Not all advisors require their clients to use a particular broker-dealer or other custodian selected by the advisor. Even though your account is maintained at a particular custodian, and we anticipate that most trades will be executed through that custodian, we can still use other brokers to execute trades for your account as described below (see “Your brokerage and custody costs”).

#### **How we select brokers/custodians**

We have selected Schwab, Fidelity, SEI, and Pershing as custodian/broker, to hold your assets and execute transactions. When considering whether the terms that each custodian provides are, overall, most advantageous to you when compared with other available providers and their services, we take into account a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Current custodian of client assets and ability to consolidate statements and notifications
- Capability to execute, clear, and settle trades (buy and sell securities for your account)

- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds [ETFs], etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, security and stability
- Prior service to us and our clients
- Services delivered or paid for the custodian
- Availability of other products and services that benefit us, as discussed below (see “Products and services available to us”)

#### Your brokerage and custody costs

The custodians we utilize generally do not charge you separately for custody services but are compensated by charging you commissions or other fees on trades that they execute or that settle into your account. Certain trades do not incur custodian commissions or transaction fees. The custodian is also compensated by earning interest on the uninvested cash in your account. In addition to commissions, your custodian charges you a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have the custodian execute most trades for your account.

We are not required to select the broker or dealer that charges the lowest transaction cost, even if that broker provides execution quality comparable to other brokers or dealers. Although we are not required to execute all trades through our selected custodians, we have determined that having them execute most trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “How we select brokers/custodians”). By using another broker or dealer you may pay lower transaction costs.

#### Products and services available to us from Custodians

Schwab Advisor Services™ is Schwab’s business serving independent investment advisory firms like us. They provide us and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. However, certain retail investors may be able to get institutional brokerage services from Schwab without going through us. Schwab and Custodians also make available various support services. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. Custodian’s support services are generally available on an unsolicited basis (we don’t have to request them) and at no charge to us. Following is a more detailed description of Custodian’s support services:

Services that benefit you. Custodian's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Custodians include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Custodian's services described in this paragraph generally benefit you and your account.

Services that do not directly benefit you. Custodians also make available to us other products and services that benefit us but do not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts and operating our firm. They include investment research, both Custodian's own and that of third parties. We use this research to service our clients' accounts, potentially including accounts not maintained at Custodian.

In addition to investment research, our custodians also make available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping, and client reporting

Services that generally benefit only us. Our custodians offer other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology and business needs
- Consulting on legal and compliance related needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers
- Marketing consulting and support
- Recruiting and custodial search consulting

Custodians provide some of these services themselves. In other cases, they will arrange for third-party vendors to provide the services to us. Custodians also discount or waive their fees for some of these services or pay all or a part of a third party's fees. Custodians also provide us with other benefits, such as occasional business entertainment of our personnel. If you did not maintain your account with Custodians, we would be required to pay for those services from our own resources.

Our interest in Custodian's services

The availability of these services from Custodian benefits us because we do not have to produce or purchase them. We don't have to pay for Custodian's services. Custodian has also agreed to pay for certain technology, research, marketing, and compliance consulting products and services on our behalf. The fact that we receive these benefits from Custodians is an incentive for us to recommend the use of a particular



custodian rather than making such a decision based exclusively on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a conflict of interest. We believe, however, that taken in the aggregate our selection of the broker/dealers we work with as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of the custodian's services (see "How we select brokers/ custodians") and not the custodian's services that benefit only us.

### **Software and Support Provided by Financial Institutions**

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Main Street Financial Solutions receives without cost, from the Custodians, administrative support, computer software, related systems support, as well as other third-party support as further described below (together "Support") which allow Main Street Financial Solutions to better monitor client accounts maintained at the Custodians and otherwise conduct its business. Main Street Financial Solutions receives the Support without cost because the Firm renders investment management services to clients that maintain assets at the Custodians. The Support is not provided in connection with securities transactions of clients (i.e., not "soft dollars"). The Support benefits Main Street Financial Solutions, but not its clients directly. Clients should be aware that Main Street Financial Solutions' receipt of economic benefits such as the Support from a Custodian creates a conflict of interest since these benefits may influence the Firm's choice of Custodian over another that does not furnish similar software, systems support or services, especially if the support is contingent upon clients placing a certain level of assets with the custodian. None of the Custodians have made the support they provide Main Street Financial Solutions contingent upon placing a certain level of assets with any of the custodians. However, custodians generally have expectations regarding anticipated asset levels and to the extent these asset levels are not met, Main Street Financial Solutions would expect the Support to diminish or stop. In fulfilling its duties to its clients, Main Street Financial Solutions endeavors at all times to put the interests of its clients first and has determined that the recommendation of Custodians is in the best interest of clients and satisfies the Firm's duty to seek best execution.

Specifically, Main Street Financial Solutions receives the following benefits from the Custodians: i) receipt of duplicate client confirmations and bundled duplicate statements; ii) access to a trading desk that exclusively services its institutional traders; iii) access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; iv) access to an electronic communication network for client order entry and account information.

Custodians may also provide discounts on compliance, marketing, research, technology, and practice management products or services provided to the Firm by third party vendors, fund business consulting and professional services received by Main Street Financial Solutions' related persons, or provide funds to the Firm specifically for the purchase of research services from Morningstar. Main Street Financial Solutions would expect those payments to stop if the Custodian determined that the insufficient assets of Main Street Financial Solutions were custodied with the Custodian.



In addition, the Firm receives funds from Fidelity to be used over a twenty-four month period toward qualifying third-party service providers for certain transition expenses. The expenses are paid by Fidelity to the third-party vendor. While the support is not contingent on the Firm placing or keeping assets at Fidelity, the arrangement results in a conflict of interest for the Firm to recommend Fidelity. The Firm will review its Custodian recommendations periodically to determine if the Firm is meeting its best execution duty and that the recommendations are in the client's best interest.

The services the Firm receives from the Custodians are generally available to independent investment advisors on an unsolicited basis, at no charge to them so long as the Custodian determines that the advisor has sufficient client assets maintained in accounts at the Custodians. The Custodians' services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For client accounts maintained in their custody, the Custodians generally do not charge separately for custody services but are compensated by account holders through transaction-related or asset-based fees for securities trades that are executed through the Custodian or that settle into Custodian accounts. The investment products available through each Custodian include some which we might not otherwise have access to or that would require a significantly higher minimum initial investment by our clients with assets.

The Custodians also make available to the Firm other products and services that benefit the Firm but may not benefit its clients' accounts. These benefits may include national, regional or Firm specific educational events organized and/or sponsored by the Custodians. Other potential benefits may include occasional business entertainment of personnel of Main Street Financial Solutions by Custodian personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some

of which may accompany educational opportunities. Certain of the products and services Custodians make available assist the Firm in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of the Firm's fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of the Firm's accounts, including accounts not maintained at Custodian.

Custodians also make available to Main Street Financial Solutions other services intended to help the Firm manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, the Custodians may make available, arrange and/or pay

vendors for these types of services rendered to the Firm by independent third parties. The Custodians may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to the Firm. While, as a fiduciary, Main Street Financial Solutions endeavors to act in its clients' best interests, the Firm's recommendation that clients maintain their assets in accounts at the Custodians may be based in part on the benefits received and not solely on the nature, cost or quality of custody and brokerage services provided by the Custodian, which creates a potential conflict of interest.

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**Brokerage for Client Referrals**

Main Street Financial Solutions does not consider, in selecting or recommending broker-dealers, whether the Firm receives client referrals from the Financial Institutions or other third party.

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**Commissions or Sales Charges for Recommendations of Securities**

As discussed above, certain Supervised Persons in their respective individual capacities are registered representatives of PKS. These Supervised Persons are subject to FINRA Rule 3280 ("Private Securities Transactions of an Associated Persons") which restricts registered representatives from conducting securities transactions away from their broker-dealer unless PKS provides written consent. Therefore, clients are advised that certain Supervised Persons are restricted to conducting securities transactions through PKS if they have not secured written consent from PKS to execute securities transactions through a different broker-dealer. Absent such written consent or separation from PKS, these Supervised Persons are prohibited from executing securities transactions through any broker-dealer other than PKS under its internal supervisory policies. The Firm is cognizant of its duty to obtain best execution and has implemented policies and procedures reasonably designed in such pursuit.

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**Trade Aggregation**

Transactions for each client will be executed independently, unless Main Street Financial Solutions decides to purchase or sell the same securities for several clients at approximately the same time. Main Street Financial Solutions may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Firm client's differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and allocated among Main Street Financial Solutions' clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that the Firm determines to aggregate client orders for the purchase or sale of securities, including securities in which Main Street Financial Solutions' Supervised Persons may invest, the Firm does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. Main Street Financial Solutions does not receive any additional compensation or remuneration as a result of the aggregation.

In the event that the Firm determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a *de minimis* allocation in one or more accounts, the Firm may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

## Item 13. Review of Accounts

### Account Reviews

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Main Street Financial Solutions' advisors monitor client portfolios on a continuous and ongoing basis while regular account reviews are offered at least annually. Such reviews are conducted by the Investment Adviser Representative working with each client. All investment advisory clients are encouraged to discuss their needs, goals and objectives with Main Street Financial Solutions and to keep the Firm informed of any changes thereto. The Firm contacts ongoing investment advisory clients at least annually to offer a review of previous services and/or recommendations to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

### Account Statements and Reports

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Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time-to-time or as otherwise requested, clients may also receive written or electronic reports from Main Street Financial Solutions and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from Main Street Financial Solutions or an outside service provider.

## Item 14. Client Referrals and Other Compensation

### Economic Benefits from Custodians

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We receive economic benefits from the custodians we work with in the form of the support products and services they make available to us and other independent investment advisors whose clients maintain their accounts with them. In addition, our custodians have also agreed to pay for certain products and services for which we would otherwise have to pay once the value of our clients' assets in accounts at the custodian reaches a certain size. You do not pay more for assets maintained at one custodian as a result of these arrangements. However, we benefit from the arrangement because the cost of these services would otherwise be borne directly by us. You should consider these conflicts of interest when selecting a custodian. The products and services provided by our custodians, how they benefit us, and the related conflicts of interest are described above (see Item 12— Brokerage Practices).

### Client Referrals

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Main Street Financial Solutions has entered into written solicitation agreements with individuals and/or entities classified as “promoters” as that term is defined under Rule 206(4)-1 of Investment Advisers Act of 1940). In this regard, Main Street Financial Solutions shall pay the promoter(s) a referral fee to solicit advisory business on behalf of the Firm subject to the agreement, which is made in accordance with the applicable requirements under the Investment Advisers Act of 1940. Unless otherwise disclosed, any such referral fee is paid solely from Main Street Financial Solutions' investment management fee and does not result in any additional charge to the client. Main Street Financial Solutions is required to disclose the nature of the promoter's relationship and fee arrangement in the advisory agreement or accompanying exhibit thereto with each prospective client at the time of the solicitation. Main Street Financial will also provide all prospective retail investors with a copy of the Firm's written Form ADV Part 2A brochure(s) and Form CRS at the time of the solicitation or prior to entering into an advisory agreement with our Firm.

**Item 15. Custody**

The advisory agreement and/or the separate agreement with any Financial Institution authorize Main Street Financial Solutions and/or the Independent Managers to debit client accounts for payment of the Firm's fees and to directly remit those funds to the Firm in accordance with applicable custody rules. The Financial Institutions that act as the qualified independent custodian ("Custodian") for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to Main Street Financial Solutions.

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct the Custodian to deduct our advisory fees directly from your account or if you grant us authority to move your money to another person's account. The Custodian maintains actual custody of your assets. You will receive account statements directly from the Custodian at least quarterly. They will be sent to the email or postal mailing address you provided to the Custodian. You should carefully review those statements promptly when you receive them. We also urge you to compare the Custodian's account statements with the periodic portfolio reports you receive from us.

*Standing Letter of Authorization*

Main Street Financial Solutions also has custody due to clients giving the Firm limited power of attorney in a standing letter of authorization ("SLOA") to disburse funds to one or more third parties as specifically designated by the client. In such circumstances, the following steps will be implemented relating to the SEC's no-action letter on February 21, 2017 which includes (in summary): i) client will provide instruction for the SLOA to the custodian; ii) client will authorize the Firm to direct transfers to the specific third party; iii) the custodian will perform appropriate verification of the instruction and provide a transfer of funds notice to the client promptly after each transfer; iv) the client will have the ability to terminate or change the instruction; v) the Firm will have no authority or ability to designate or change the identity or any information about the third party; vi) the Firm will keep records showing that the third party is not a related party of the Firm or located at the same address as the Firm; and vii) the custodian will send the client an initial and annual notice confirming the SLOA instructions.

In addition, as discussed in Item 13, Main Street Financial Solutions will also send, or otherwise make available, periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from Main Street Financial Solutions.

**Item 16. Investment Discretion**

Main Street Financial Solutions is given the authority to exercise discretion on behalf of clients subject to a written investment advisory agreement. Main Street Financial Solutions is considered to exercise investment discretion over a client's account if it can effect and/or direct transactions in client accounts without first seeking their consent. Main Street Financial Solutions is given this authority through a power-of-attorney included in the agreement between Main Street Financial Solutions and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold) or opt for a non-discretionary advisory agreement. Main Street Financial Solutions takes discretion over the following activities where the Firm and its financial professionals enter into a discretionary agreement with clients:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made;
- The broker-dealer that executes trades (in the case of a prime brokerage relationship and excluding any directed brokerage arrangement entered into with client); and
- The Independent Managers to be hired or fired.

**Item 17. Voting Client Securities**

Main Street Financial Solutions nor its financial professionals do not accept nor exercise the authority to vote proxy issues on behalf of client accounts. Accordingly, neither Main Street Financial Solutions nor its financial professions are not permitted to furnish advice to our clients in regard to proxy voting matters. Clients receive proxy voting materials directly from the Financial Institutions where their assets are custodied. Clients should direct further questions on facilitating proxy voting to the Financial Institution(s) from which they receive these materials.

**Item 18. Financial Information**

Main Street Financial Solutions is not required to disclose any financial information due to the following:

- The Firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered; and
- The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and

The Firm, in addition, has not been the subject of a bankruptcy petition at any time during the past ten years.