

# MAIN MANAGEMENT, LLC

March 30<sup>th</sup>, 2022

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This *brochure* provides information about the qualifications and business practices of Main Management, LLC (“Main Management” or the “Adviser”), an investment adviser registered with the United States Securities and Exchange Commission (the “SEC”). If you have any questions about the contents of this *brochure*, please contact us at (415) 217-5800 or by email at [info@mainmgt.com](mailto:info@mainmgt.com). This information has not been approved or verified by the SEC or by any *state securities authority*.

Additional information about Main Management, LLC is also available at the SEC’s website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) (select “investment adviser firm” and type in our firm name). Results will provide you both Part 1 and 2A of our Form ADV. Registration as a registered investment adviser does not imply any level of skill or training. The oral and written communications we provide to you, including this brochure, are for you to evaluate us. Please use this information as factors in your decision to hire us or to continue our business relationship.

CRD #: 120361

601 CALIFORNIA STREET, SUITE 200, SAN FRANCISCO, CALIFORNIA 94108

[INFO@MAINMGT.COM](mailto:INFO@MAINMGT.COM)

(415) 217-5800

[WWW.MAINMGT.COM](http://WWW.MAINMGT.COM)

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**ITEM 2 – MATERIAL CHANGES**

This Brochure has been updated since the last amendment filed on September 7th, 2021 to reflect the management of a new pooled investment vehicle.

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#### ITEM 4 – ADVISORY BUSINESS

##### **Firm Description**

Main Management, LLC was established in April 2002. The firm's main office is located in San Francisco, California and may be contacted by email at [info@mainmgt.com](mailto:info@mainmgt.com). Kim D. Arthur is the principal owner of Main Management.

##### **Principal Members**

- Kim D. Arthur, Managing Member, CEO & President
- James W. Concidine, Managing Director
- Fredericks Investments, LP, Member
- Blaine Docker, Chief Operating Officer

Main Management's team includes seasoned professionals in the area of investments, client relationship management, and operations, plus an external Advisory Board of industry leaders. The founders of Main Management, Kim D. Arthur, James W. Concidine and J. Richard Fredericks, have industry experience spanning an average of 40 years. Our team-based approach is designed to confirm the consistent application of the firm's process discipline and does not make the investment process reliant on any one individual. With significant personal investments in Main Management's investment strategies, we believe our team's interests are closely aligned with those of our clients.

##### **Types of Advisory Services**

Main Management offers a variety of investment advisory services to our clients. We tailor our advice and services to our clients' objectives, means and timelines.

Main Management is a fee-based investment manager and services include quarterly reviews, portfolio rebalancing and tax-aware strategies. A pioneer in managing all-ETF (Exchange Traded Fund) portfolios, Main Management is committed to delivering transparent, cost-efficient, and customized investment solutions to high net worth individuals and institutional investors. By combining the asset allocation insights of experienced investment professionals with smart implementation vehicles, Main Management offers a unique approach that we believe translates into distinct advantages for our clients, including broad diversification, cost efficiency, tax awareness and transparency. Main Management's discretionary investment advice is limited to ETF strategies.

##### **Different types of investment vehicles**

Clients may access Main Management strategies through Separately Managed Accounts (SMA) accounts at a 3<sup>rd</sup> party custodian, SMA accounts through wrap fee programs offered by Sponsor

Firms, and Model Delivery Platforms (MDP) that are accounts where Main Management only provides an investment model to the Sponsor Firm.

In addition, Main Management is the General Partner to, and provides investment management services to, a private fund, the Core Endowment Portfolio II, L.P. The firm also acts as sub adviser to another private fund, the Main Management Insurance Fund, which is sponsored by SALI Fund Services. Main Management also provides certain advisory, administrative and compliance services to a private fund, LSB Investors, LP, and an affiliate, LSB Investors GP, LLC, serves as the General Partner to LSB Investors, LP.

Main Management LLC is the majority owner of Main Management Fund Advisors. Main Management Fund Advisors acts as the investment advisor to the Main BuyWrite Fund, a Series of Northern Lights Fund Trust IV.

Main Management LLC is the sole owner of Main Management ETF Advisors. Main Management ETF Advisors acts as the investment advisor to the Main Sector Rotation ETF, a Series of Northern Lights Fund Trust IV.

#### Separately Managed Accounts (SMAs)

An SMA is an account that Main Management manages individually through an agreement with client, and for which the account custodian is an unaffiliated broker dealer (such as TD Ameritrade or Charles Schwab).

In some cases the SMA may be offered through a wrap fee program by a Sponsor Firm through one of their Financial Advisors (such as UBS) and managed by Main Management. In this scenario, clients generally pay an asset-based fee to the Sponsor Firm (the “wrap fee”) and out of that fee, the Sponsor Firm pays a portion of the wrap fee as an investment advisory fee to Main Management.

When a client (or the Sponsor Firm, where they have discretion) selects Main Management as investment manager for an SMA, the client may grant full (but will grant at least partial) discretion to Main Management, including trading discretion, over the account. With this authority, Main Management typically executes trading activity for the account through the third-party broker/dealer based on the Adviser’s investment process and securities selection criteria. Trading discretion requires that Main Management seek best execution for trades executed in the SMA.

#### Model Delivery Platforms (MDPs)

MDPs are accounts for which Main Management provides only a model investment portfolio to the Sponsor Firm. In this scenario, Main typically provides non-discretionary investment advice in

the form of the relevant investment models. Main typically does not have discretion, trading or otherwise, over these accounts.

While SMA and MDP accounts utilizing the same investment solution may perform similarly, there are expected to be performance variations between them a result of differences in implementation. Accordingly, SMA accounts, where the manager retains trading discretion, may have performance dispersion compared to MDP accounts where Main Management does not have trading discretion.

### Private Funds

Main Management is the General Partner to the Core Endowment Portfolio II, L.P., which is intended for accredited investors with certain net worth requirements. The fund's BuyWrite strategy objective is to grow capital by trading in a broad spectrum of securities, consisting of equity and equity-related securities or other market instruments as deemed appropriate. The fund may also engage in other hedging strategies, and other strategies to the extent consistent with the fund's investment guidelines.

The BuyWrite strategy is also implemented in an insurance dedicated fund, where the firm acts as sub adviser to the Main Management Insurance Fund, which is sponsored by SALI Fund Services. The scope of services provided are set forth in the client agreement.

Main Management provides certain advisory, administrative and compliance services to LSB Investors, LP. An affiliate of Main Management, LSB Investors GP, LLC, serves as the General Partner to a private fund, LSB Investors, LP. LSB Investors, LP is structured as a single purpose vehicle.

Main Management is the investment manager to Main Management Digital Asset Fund LP. An affiliate of Main Management, MMDA GP LLC, serves as the General Partner to a private fund, Main Management Digital Asset Fund LP.

### Retirement Plans

For retirement plans, Main Management provides investment advisory services on a discretionary basis and thus serves as an investment manager as defined by Section 3(38) of ERISA. Accordingly, Main provides investment advice to retirement plan clients with regard to investment portfolios available to the plan.

### Mutual Fund

Main Management LLC is the majority owner of Main Management Fund Advisors (hereafter "Main Fund"). Main Management Fund Advisors acts as the investment advisor to the Main BuyWrite

Fund, a Series of Northern Lights Fund Trust IV. Main Management Fund Advisors has discretion to direct investments, select brokers and place transaction orders for the fund.

#### Exchange Traded Fund (ETF)

Main Management LLC is the sole owner of Main Management ETF Advisors (hereafter “Main ETF”). Main Management ETF Advisors acts as the investment advisor to the Main Sector Rotation ETF and the Main Thematic Innovation ETF, each a diversified Series of Northern Lights Fund Trust IV. Main Management ETF Advisors has discretion to direct investments, select brokers and place transaction orders for the fund.

#### Client Tailored Relationships and Restrictions

As a fiduciary, Main Management always acts solely in the client’s best interests. Their investment solution is customized based on their investment objectives. The client may make requests or make suggestions regarding the investments made in their portfolio. Restrictions on trading which, in our opinion, are not in their best interest may not be honored. In extreme circumstances such restrictions may result in the termination of our agreement.

Similarly, the client is under no obligation to act upon Main Management's or associated person's recommendations. If the client elects to act on any of the recommendations, they are under no obligation to effect the transaction through Main Management or its associated person when the person is an agent with a licensed broker-dealer or through any associate or affiliate of such person.

Main Management’s discretionary investment management and advisory services to the private fund, along with the investment objectives and strategies, are provided per the terms of the relevant offering memorandum. The advisory services that the private fund receives are consistent with the specified investment objectives and strategies as set forth in the offering document.

#### Assets under Management (AUM)

Main Management, as of December 31, 2021, manages \$1,097,609,463 in regulatory assets under management on a discretionary basis and \$119,346,445 in regulatory assets under management on a non-discretionary basis for a regulatory assets under management total of \$1,216,955,908. In addition, the Adviser provides investment advice to \$1,163,878,700 of Model Delivery Platform assets. Accordingly, Main Management provides investment advice to a total of \$2,380,834,608 consisting of regulatory assets under management and Model Delivery Platform assets.

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## ITEM 5 – FEES AND COMPENSATION

### Fee Schedules, Payments & Options

The maximum management fee retained by Main does not exceed 0.85% for SMA accounts that we manage directly, which are generally \$2,000,000 or larger. This basic rate reflects the annual

charges, which would generally apply for clients entering into Main Management's customary investment advisory agreement. Given that Main Management's services generally depend on a client's individual and particular needs, the fees for such services may vary based on factors including, but not limited to, cumulative asset levels, relationships to existing clients and the nature of the account and the circumstances involved. Fees for direct SMA clients are exclusive of brokerage commissions, transaction fees and other fees and taxes that may be incurred by the client.

Upon request and per agreement, Main Management provides for a fee (typically less than 0.50%) administrative related services, including but not limited to reporting and analysis in connection with non-discretionary assets held in client accounts, which are ancillary to investment advisory services provided.

For purposes of determining value, securities and other instruments traded on a market for which actual transaction prices are publicly reported are valued at the last reported sale price on the principal market in which they are traded. All other assets are valued at fair value by Main Management.

The fee includes the time and activities necessary to work with your attorney and/or accountant in reaching agreement on solutions, as well as assisting them in implementation of all appropriate documents. We are not responsible for attorney or account fees charged to you as a result of the above activities.

Compensation for our services will be calculated in accordance with what is set in the client's agreement. We may modify the terms of any agreement with at least 30 days prior written notice.

Main Management fees are generally paid from a client's account by the custodian when we submit an invoice to them. The invoice we submit shows the amount of fees, the value of assets on which the fees are based, and the specific manner in which the fees are calculated. If there is insufficient cash in a client's account to pay the relevant fees, an equal balance of securities in portfolio may be sold to pay the fee. In addition to our fees, there may be custodial, mutual fund or similar third party management fees and charges.

In most circumstances Main Management fees are paid quarterly in arrears. Our fee is determined by taking the daily managed value of a client's account multiplied by a daily rate. The managed value is the sum of the values of all assets in the account, less unsupervised assets, and not adjusted by any margin debit. The daily rate is calculated by dividing the annual fee percentage by the number of days in the period. Thereafter the daily fees for the period are added to give you the total management fee for the quarter. Fees for partial quarter at the commencement or



termination of our agreement will be billed or refunded on a pro-rated basis contingent on the number of days the account was open during the quarter.

As deemed appropriate by Main Management pursuant to the firm's duty to seek best execution, Main Management may place orders with broker dealers other than the client account holder's custodian, known as step-out or trade away transactions. In such instances, broker-dealer's will impose commissions or mark-ups/mark downs on these orders, which are charged to the client's account. Depending on the custodian or type of trade, these commissions or mark-ups/mark-downs may be netted into the price received for a security.

#### SMA Wrap Programs

Main Management's clients who have SMA assets within a wrap fee program will typically have either a "single contract" or "dual contract" arrangement.

Under a single contract arrangement the client pays an asset-based fee to the Sponsor Firm and, out of that fee, the Sponsor Firm pays an investment advisory fee to Main Management. There may be other non-asset based fees that will be charged to the client depending on the terms of the Sponsor Firm's program. Main Management's fees may vary from program to program but typically do not exceed 0.75% per year of the value of the client's assets in the wrap fee program.

Under a dual contract arrangement, the client has one contract with the Sponsor Firm and another contract with Main Management. As such the client pays Main Management an investment advisory fee in addition to the asset-based fee they pay to the Sponsor Firm for investment advice, custody, execution and reporting. Main Management's fees may vary from program to program but typically do not exceed 0.75% per year of the value of the client's assets in the wrap fee program.

#### Clients Invested in affiliated Mutual Fund

Main Management's affiliate, Main Management Fund Advisors, manages a registered investment company ("Mutual Fund"), registered under the Investment Company Act of 1940, as amended. Main Management's clients may invest in the Mutual Fund. The affiliated adviser receives management fees from the Mutual Fund which are disclosed in the fund's prospectus.

With respect to direct SMAs, no management fee is charged on the portion of a client's account that is invested in the Mutual Fund. The fee will be reduced by the approximate percentage of the assets in the Mutual Fund.

Additionally, in terms of both SMA Wrap Program and MDP Wrap Program accounts, to the extent that the Sponsor Firm collects any account level fee on accounts with investments in the Mutual Fund, the entirety of such fee will be waived by Main Management. However, the Sponsor Firm

may elect to retain such fee. For information on such fees, clients should contact their financial advisor at the Sponsor Firm.

In an effort to ensure that a platform investor does not pay more than once for investment advice provided by Main Management and affiliated entities, the firm does not currently earn an account-level fee, including from a Sponsor Firm, with respect to SMA and MDP wrap accounts that employ the Main BuyWrite Fund.

#### Clients Invested in affiliated Exchange Traded Funds

Main Management's affiliate, Main Management ETF Advisors, manages two Exchange Traded Funds ("ETF"), registered under the Investment Company Act of 1940, as amended. Main Management's clients may invest in the ETF. The affiliated adviser receives management fees from the ETF which are disclosed in the fund's prospectus.

With respect to direct SMAs, no management fee is charged on the portion of a client's account that is invested in the ETF. The fee will be reduced by the approximate percentage of the assets in the ETF.

Additionally, in terms of both SMA Wrap Program and MDP Wrap Program accounts, to the extent that the Sponsor Firm collects any account level fee on accounts with investments in the firm's ETFs, the entirety of such fee will be waived by Main Management. However, the Sponsor Firm may elect to retain such fee. For information on such fees clients should contact their financial advisor at the Sponsor Firm.

In an effort to ensure that a platform investor does not pay more than once for investment advice provided by Main Management and affiliated entities, the firm does not currently earn an account-level fee, including from a Sponsor Firm, with respect to SMA and MDP wrap accounts that employ the Main Sector Rotation ETF or the Main Thematic Innovation ETF.

#### Private Funds

The maximum management fee retained by Main Management does not exceed 0.85% for the Core Endowment Portfolio II, L.P., although the fee may be adjusted per limited partner depending on the size of investment and other factors. These fees are charged on a percent of the fund shares' net asset value and charged quarterly in advance. If capital is contributed in the middle of a quarter, fees will be assessed on a pro rata basis. In certain conditions, Main Management may waive all or a portion of a limited partner's fees in any given quarter, at its sole discretion.

With respect to the Main Management Insurance Fund, the maximum management fee retained by Main Management does not exceed 1.10%.

In terms of LSB Investors, LP, the General Partner of the fund is LSB Investors GP, LLC. The General Partner charges LSB Investors, LP an annual 0.50% management fee and a 10% incentive fee on distributions which typically occur on a quarterly basis. Main Management LLC is a member of the General Partner. The General Partner pays 0.50% per annum to Main Management, LLC for advisory, compliance, operational and administration services. The General Partner is a Manager-Managed LLC with a sole Manager, Blaine Docker. Blaine Docker also serves as COO of Main Management LLC. In addition, Kim Arthur and Darol Ryan, who serve as CEO and Managing Director of Main Management LLC respectively, are also members of the General Partner.

With respect to Main Management Digital Asset Fund LP, the Investment Manager, Main Management, will receive a quarterly management fee, calculated at an annual rate of 1% (0.25% per quarter) of each limited partner's capital account. The Management fee will be calculated and paid quarterly in arrears, based on the value of each limited partner's capital account, as of the last day of the calendar quarter. The Investment Manager has designated the General Partner, MMDA GP LLC, to receive 50% of the Management Fee.

Subject to the terms and limitations of the Digital Asset Fund LP's governing documents, the General Partner will receive an allocation, generally annually after the termination of the Digital Asset Fund LP's lock-up period with respect to a limited partner (the "Performance Allocation"), equal to 10% of the net income allocated to such limited partner up to the applicable threshold (as defined in Digital Asset Fund LP's governing documents); plus 15% of the net income allocated to such limited partner in excess of such applicable threshold. A Performance Allocation will generally be made at (i) the conclusion of the applicable lock-up period with respect to a limited partner; (ii) the end of each calendar year thereafter; and (iii) and as of any date on which the limited partner makes a withdrawal from the Digital Asset Fund LP.

#### MDP Wrap Programs

Main Management has agreements with certain Sponsor Firms to provide model portfolios to MDP platforms for a negotiated fee. Under these arrangements, Main will not have any direct agreement with the platform investor. Main's advisory fees will vary from program to program and are generally charged monthly in areas based on the average daily value of the platform investor's assets under management. These fees are typically deducted by the Sponsor Firm directly from a platform investor's account per their agreement with the sponsor firm. For information on the specific billing schedule platform investors should contact their financial advisor at the Sponsor Firm.

In an effort to ensure that a platform investor does not pay more than once for investment advice provided by Main Management and affiliated entities, the firm does not earn an account-level fee, including from a Sponsor Firm, with respect to MDPs that employ an investment solution provided by two subsidiary firms of Main Management, namely Main Management Fund Advisors and Main

Management ETF Advisors. Platform investors who access MDP portfolios through a Sponsor Firm however will typically pay fees to the Sponsor Firm. For information on such fees clients should contact their financial advisor at the Sponsor Firm.

#### **Retirement Plans**

For retirement plan clients for which Main Management serves as the ERISA section 3(38) “investment manager” (i.e., where Main Management has the authority to select, monitor, remove and replace the investment options offered under the plan), Main Management charges an annualized advisory fee that does not exceed 0.50%.

#### **Termination**

Either Main Management or our clients can terminate our SMA agreement upon receipt of written notice to the other party. In addition, other changes to the agreement must be in writing.

When an SMA agreement is terminated, we will refund any pre-paid, unearned fees based on the number of days remaining in the quarter after termination. Refunds will be made within 30 calendar days of the effective date of termination.

When an SMA agreement is terminated, all assets may need to be transferred from the current custodian. You will be responsible for paying all fees including full quarterly custodial administrative fees, account closure fees, mutual fund fees and all trading costs due to the termination. Custodian may assess additional fees for transfer of illiquid investments. If there is insufficient cash in the account, the liquidation of some securities may be used to pay the fees. Prior to termination of an agreement, we can provide a good-faith estimate of these fees.

#### **Third Party Fees**

Other than fees payable to a third party advisors, the client is responsible for the payment of all third party fees (i.e. custodian fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees we charge.

All brokerage commissions, trade away fees, stock transfer fees, and other similar charges incurred in connection with transactions for the account will be paid out of the assets in the account and are in addition to the investment management fees paid to us. While we take measures to ensure the fees charged are accurate, it is your responsibility to ensure the amount of fee charged is correct. In addition to statements sent by us, you will receive statements directly from these brokers, custodians or mutual funds or other investments you hold. We strongly urge you to compare these statements for accuracy.

Main Management’s clients generally will incur brokerage and other transaction costs either separately or through a bundled fee applied to wrap programs (“WF”) or bundled fee accounts which pay flat fee in lieu of trade commissions (“FF”). In most cases, Main Management places

trades with the SMA's custodian or with the FF or WF account sponsor or affiliated broker dealer. Main Management may trade away from the SMA's custodian and, to a lesser extent, as permitted by the FF or WF, the FF or WF account's sponsor or affiliated broker. Main Management may trade away from such parties if Main Management believes such custodian, platform or its affiliate may not provide best price or execution under the circumstances or Main Management otherwise deems it appropriate in light of research or brokerage services provided by a different broker. In such cases, clients may incur a "trade away" or transaction or other costs and fees in addition to the aforementioned bundled fees. Wrap or Flat Fee bundled account clients should review all materials available from a third-party platform concerning the platform and/or sponsor and the platform's terms, conditions and fees.

Main Management and/or the general partner of a private fund is responsible for its administrative and overhead expenses, including salaries and benefits.

In addition to paying management fees and, if applicable, performance-based fees, private fund investors will also be subject to the private fund's operating and other expenses, which may include, but not limited to:

- organizational, offering and selling costs
- investment expenses (i.e., exchange commissions and expenses, brokerage commissions, research expenses, data processing costs and expenses, bank service fees, interest expenses, borrowing charges, custodial expenses, outsourced risk management advisory and software, investment-related consultants and travel costs that are research-related and other investment expenses);
- administrative, legal, accounting, auditing, record-keeping, tax form preparation, compliance, and consulting costs and expenses; (all fees, costs and expenses related to middle office operations which may include daily reconciliation of cash, cost, positions, and valuations;
- fees, costs, and expenses of third-party service providers that provide such services;
- costs and expenses associated with preparing investor communications, printing, and mailing costs;
- expenses related to the preparation of amendments to the private fund agreements;
- expenses incurred as a result of the realization of an investment;
- expenses of dissolution, winding-up and termination of a private fund;
- insurance costs and expenses (e.g., for the assets of the Fund, D&O, E&O);
- marketing and syndication expenses;
- taxes and other governmental charges;
- governmental licensing, filing, and exemption fees (including Blue Sky filing fees);
- indemnification obligations;

- all expenses (including reasonable attorneys' fees) incurred in connection with any threatened, pending, or anticipated litigation, IRS examination or audit, or similar audit or examination by any state or local taxing authority, or other legal proceeding;
- a private fund's allocable share of the costs and expenses of any underlying funds, including their organizational, offering and operating costs and the management fees and incentive compensation payable to the underlying managers; and
- any extraordinary expenses.

Although we set forth enumerated lists above, all investors and prospective in the private funds should review the governing document of their respective private fund (including any relevant supplements) which discuss additional costs, fees and expenses not discussed above.

#### **Other Investment Compensation**

Main Management does not accept commission for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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### **ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

As described in Item 5.A. above,

Main Management or a general partner of a private fund, charges a performance-based fees for advisory services provided to certain private funds. Main Management understands that there exist certain potential conflicts of interest associated with the presence of a performance-based fee. Such a fee may create an incentive for Main Management to cause a private fund to make investments that are riskier or more speculative than would be the case if there were no performance-based fee. To address this potential conflict of interest, Main Management advises each private fund in accordance with its investment strategy and any restrictions set forth in the private fund's governing documents.

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### **ITEM 7 – TYPES OF CLIENTS**

Main Management generally provides asset management services to the following types of clients:

- Individuals
- High-Net-Worth Individuals
- Pension and Profit Sharing Plans
- Trusts
- Estates
- Charitable Organizations
- Corporations
- Family Groups
- Third-Party Investment Advisors & Broker-Dealers

- Private Funds

#### Minimum Account Size

Main Management has an SMA account minimum of \$2,000,000. However, in certain conditions, we may decide to accept clients with smaller portfolios.

For Wrap Fee or MDP programs the minimum account size and conditions vary from platform to platform, as specified by the Sponsor Firm.

Main Management's private funds have initial investment minimums of \$500,000. However, in certain conditions, we may decide to accept investors with smaller portfolios.

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## ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

### 8a: Analysis

Main Management uses multiple sources of information to obtain analysis and strategies. They include sources such as proprietary internal research, paid research from external sources, financial newspapers, financial magazines, inspections of corporate activities, corporate rating services, prospectuses, company press releases and corporate conference calls.

### 8b: Investment Strategies

#### Exchange Traded Funds Strategy

Main Management's philosophy is that asset allocation is the dominant driver of long-term portfolio returns. In addition to size and style, fundamental sector analysis is crucial to portfolio returns. When it comes to the implementation of well-diversified portfolios, ETFs offer tremendous advantages over actively managed approaches in the areas of cost and tax efficiency, transparency, and trading flexibility. Main Management constructs solutions to help high net worth individuals and institutions achieve their investment objectives.

Main Management has created five strategies, investing in primarily Exchange-Traded Funds:

- I. Active: US Large Cap Sector Rotation - Main Management was founded on the philosophy that sectors are a more efficient way to own equities than single stocks. Accordingly the strategy uses a disciplined investment process to rank and select market sectors that are trading below their historical averages on an absolute and relative basis. The firm also believes that undervalued sectors typically revert to their mean when the appropriate catalyst is present. A sector will be sold when its price target is achieved. The strategy derives excess returns from the correct overweight and underweight of sectors relative to the S&P 500 benchmark. The portfolio is implemented using Exchange Traded Funds (ETFs). Inception: September 2002.

- II. BuyWrite or Core Endowment Portfolio: Hedged Equity - The objective of the strategy is to provide investors with high single digit / low double digit returns during a positive or neutral equity market while providing investors with reduced volatility during down markets. Main Management seeks to achieve this investment objective by investing in a portfolio of exchange traded funds (ETFs) selected through fundamental reversion to the mean analysis while utilizing a covered call writing strategy to potentially generate income. The funds fundamental asset allocation may include equity investments, debt investments, and diversifying investments. The strategy is offered in both Separately Managed Accounts (SMA) and Limited Partnership Interest. Inception: September 2004
- III. All Asset: Global Balanced - The portfolio seeks to replicate the risks and returns of sophisticated endowments and foundations using liquid investment vehicles. The portfolio managers select from a wide array of diversified asset classes to create a comprehensive, globally diversified solution. The strategy aims to provide investors with tax aware, equity-like returns with lower risk than the S&P 500 index. It targets exposure to US Equities, International Equities, Fixed Income, and Diversifying/Non Correlated Investments and balances a core strategic asset allocation with carefully selected tactical trading strategies. Risk management includes managing volatility with targeted selling of covered call options. Benchmark is 70% MSCI All Country World Index – 30% Barclays Aggregate Bond Index. Inception: November 2006.
- IV. International: Non-US Equity - Main Management seeks to achieve long term capital appreciation by investing in non U.S. country and sector indexes. The portfolio utilizes a dynamic asset allocation approach which combines the benefits of both strategic and tactical allocation strategies. It employs a top down assessment to identify undervalued economic regions, countries and sectors. Rigorous fundamental analysis and a proprietary weighting methodology are key components of a disciplined allocation process. Concurrently, tactical allocations will be used to anticipate and respond to opportunistic shifts in the market. Benchmark is the MSCI All Country World ex US index. Inception: December 2007.
- V. Thematic Innovation Strategy: Global Mid-Cap - Main Management aims to provide diversification in the innovation space and exposure to where the firm thinks the next big ideas may exist. It seeks to achieve its objective through dynamic thematic rotation. Theme and sector selection are optimized by carefully reviewing the sector, industry, and sub-industries in the fund's portfolio and allocating to themes and sectors which appear to be disruptive technologies and present a significant market opportunity size. Inception: June 2020.



- VI. Yield Moderate Strategy: Yield Enhancement – Main Management seeks to provide an enhanced yield above that of the Bloomberg Barclays US Aggregate Bond Index while maintaining a moderate risk profile. It aims to achieve its objective through careful evaluation of duration, maturity, yield and credit quality, as well as fundamental valuations. The strategy strives to provide yield above that of the benchmark while maintaining a relatively conservative underlying portfolio that will preserve capital.
- VII. Yield Conservative Strategy: Yield Enhancement – Main Management seeks to provide an enhanced yield above that of the ICE Bank of America 0-3 year US Treasury Index while maintaining a lower risk profile. It seeks to achieve its objective through careful evaluation of duration, maturity, yield and credit quality, as well as fundamental valuations. The strategy seeks to provide yield above that of the benchmark while maintaining a conservative underlying portfolio that will preserve capital.

#### LSB Investors, LP

The investment objective of LSB Investors, LP is to make an investment in a single portfolio company that operates in the livestock and animal feed industry.

#### Main Management Digital Asset Fund LP

The Fund's objective is to attempt to maximize risk-adjusted and absolute returns primarily through investments centered around the emerging Digital Asset sector. "Digital Assets" shall mean digital currencies, cryptoassets, cryptocurrencies, decentralized application tokens and protocol tokens, blockchain-based assets, smart contracts and other cryptofinance and digital assets that currently exist or may exist in the future.

#### **8c: Risk of Loss**

All investments include a risk of loss. In addition, as past global and domestic economic events have indicated, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets we manage that may be out of our control. We use our best efforts and expertise to manage your assets. However, we cannot guarantee any level of performance or that you will not experience financial loss.

Main Management invests discretionary client assets in Exchange Traded Funds (ETFs). ETFs are investment companies, which may be managed or unmanaged, that generally seek to track the performance of a specific index. The value of ETFs can be expected to increase and decrease in value in proportion to increases and decreases in the indices that they are designed to track. The volatility of different index tracking stocks can be expected to vary in proportion to the volatility of the particular index they track. The ETFs in which Main Management invests may not be able to replicate exactly the performance of the indices they track because the total return generated by the securities will be reduced by transaction costs incurred in adjusting the actual balance of the

securities. This may result in a loss. ETFs are traded similarly to stocks of individual companies. Although an ETF is designed to provide investment performance corresponding to its index, it may not be able to exactly replicate the performance of its index because of its operating expenses and other factors. ETFs may also trade at a discount or premium to their net asset value. In addition, ETFs have certain inherent risks generally associated with investments in a portfolio of securities, in which the ETF is invested, including the risk that the general level of stock prices may decline, thereby adversely affecting the value of each unit of the ETF. ETFs also involve the risk that an active trading market for an ETF's shares may not develop or be maintained.

Main Management will use our best judgment and good faith efforts in rendering services to you. We cannot warrant or guarantee any particular level of account performance, or that the account will be profitable over time. Not every investment decision or recommendation made by us will be profitable. Clients assume all market risk involved in the investment of account assets under the Investment Advisory Agreement and understand that investment decisions made for this account are subject to various market, currency, economic, political and business risks. Except as may otherwise be provided by law, we will not be liable for (a) any loss that you may suffer by reason of any investment decision made or other action taken or omitted in good faith by Main Management with that degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; (b) any loss arising from our adherence to your instructions; or (c) any unauthorized act or failure to act by a custodian of your account. Nothing in this document shall relieve us from any responsibility or liability we may have under state or federal statutes.

#### Private Fund

Limited partner investment in the private fund has additional risks that can result in loss. The private fund may have higher turnover than typical individual accounts and as such, portfolio fees and expenses may be higher. Short sales, options, leveraging margin and derivative all have risks associated with the general movement of markets, currency fluctuations, interest rate trends, asset sales to cover losses and complex valuations all contribute to risk of loss.

A private fund structured as a single purpose vehicle will be subject to risk related to the operations of the portfolio company, which are described in the fund's offering documents. The offering documents should be reviewed in detail for a complete description of risks associated with this fund.

The investment program of a Digital Assets Fund is speculative and entails substantial risks. There can be no assurance that the investment objective of the Fund will be achieved and that investors will not incur losses. Moreover, an investment in the Fund provides limited liquidity since the Interests are not freely transferable, and the Limited Partners will have limited withdrawal rights.

All investments risk a total loss of capital. The offering documents should be reviewed in detail for a complete description of the specific risks associated with this fund.

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**ITEM 9 – DISCIPLINARY INFORMATION****9a: Civil or Criminal Actions**

Main Management and its managers have never been found guilty, convicted or plead no contest to a criminal or civil action in a domestic, foreign or military court.

**9b: Administrative Enforcement Proceedings**

Main Management and its managers have never been found by the SEC, any other state or federal agency or any foreign regulatory agency to have caused loss of the ability of an investment-related business to do business or been sanctioned, barred or limited in investment-related activities.

**9c: Self-Regulatory Organization Enforcement Proceedings**

Main Management and its managers have never been found by a self-regulatory agency to have caused loss of the ability of an investment-related business to do business. Additionally, Main Management and its managers have never been found in violation of self-regulatory agencies rules such that they were barred, suspended, limited in advisory functions or fined.

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**ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS****10a: Broker Dealers and Registered Representatives**

Main Management is not registered as a broker-dealer; however, seven Main Management employees are registered representatives of Ceros Financial Services, Inc. (DRD# 37869), a broker dealer registered with the U.S. Financial Industry Regulatory Authority (FINRA).

**10b: Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither Main Management nor our employees hold any of the above registrations.

**10c: Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Main Management is the advisor and General Partner to the Core Endowment Portfolio II private fund. We take all reasonable efforts to mitigate conflicts of interest in the performance of these roles.

LSB Investors GP, LLC, an affiliate of Main Management, serves as the General Partner to LSB Investors, LP.

MMDA GP LLC, an affiliate of Main Management, serves as the General Partner to Main Management Digital Asset Fund LP.

Main Management serves as a sub-advisor to an insurance dedicated fund where SALI Fund Partners, LLC acts as the General Partner.

Main Management Fund Advisors, LLC is an affiliate of the Adviser and a registered investment adviser (SEC File Number 801-106755) to a registered investment company, as defined under the Investment Company Act of 1940, as amended.

Main Management ETF Advisors, LLC is an affiliate of the Adviser and a registered investment adviser (SEC File Number 801-110799) to a registered investment company, as defined under the Investment Company Act of 1940, as amended.

Main Management will disclose material conflicts of interest relating to Main Management, our representatives, or any of our employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

**10d: Selection of Other Advisors and How this Advisor is Compensated for those Selections**

Main Management does not recommend or select other investment advisers for its clients.

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**ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

**11a: Code of Ethics Description**

Main Management has adopted a Code of Ethics that governs a number of potential conflicts of interest we have when providing our advisory services to you. This Code of Ethics is designed to meet our fiduciary obligation to you and to stress the importance of a culture of compliance within our firm.

An additional benefit of our Code of Ethics is to detect and prevent violations of securities laws, including our obligations owed to you.

Main Management's Code of Ethics is distributed to each employee at the time of hire, and annually thereafter (if there are changes). We also supplement the Code of Ethics with annual training and on-going monitoring of employee activity. A copy of our Code of Ethics will be supplied to you, free of charge, should you request it.

Main Management's Code of Ethics includes the following:

- Requirements related to the confidentiality of your personal, business and financial information
- Prohibitions on insider trading (if we are in possession of material, non-public information)

- Reporting of gifts and business entertainment
- Pre-clearance of employee and firm transactions
- Reporting (on an on-going and quarterly basis) all personal securities transactions (what we call “reportable securities” as mandated by regulation)

On an annual basis, we require all employees to re-certify to our Code of Ethics, identify members of their household and any account to which they have a beneficial ownership (they “own” the account or have “authority” over the account), securities held in certificate form and all securities they own at that time.

#### **11b, c & d: Participation or Interest in Client Transactions**

Main Management, or its employees, may buy and sell some of the same securities for our own accounts that we buy and sell for our clients. We will exercise best efforts to buy or sell from our clients’ accounts before we buy or sell from our accounts. In some cases Main Management, or its employees, may buy or sell securities for our own accounts and not for clients’ accounts, as it may not meet the objectives or plans for the client.

Main Management may recommend private funds to well qualified clients participating in our individual investment programs. The private funds may be offered to some clients over others, based on our discretion and other considerations such as suitability and risk. Investment decisions in the fund may differ from individual investment accounts as the purposes, risks and horizons may be different.

Main Management will always maintain full disclosure with our clients so that you can make informed decisions. We will always evaluate our activity from the view of our clients to ensure that any and all required disclosures are made. For example, we will disclose anything that would cause you to be unfairly influenced to make any decision regarding actions or inactions in your account.

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## **ITEM 12 – BROKERAGE PRACTICES**

### **12a: Selecting Brokerage Firms**

As part of our services, Main Management will recommend a broker-dealer. We have selected our broker-dealers based on price, reliability, speed of processing, tools and “best execution” in addition to other considerations. And while you are not required to effect transactions through any broker-dealer recommended by us, we feel we have made our selections based on a totality of benefits they offer.

While the client will make the ultimate choice in selecting a custodian for their assets, Main Management recommends several custodians that offer comprehensive services and the level of

services our clients expect. Currently, our clients use Charles Schwab, TD Ameritrade, UBS, Morgan Stanley Trust and Pershing as custodians. Main Management has good working relationships with these custodians.

Main Management may execute transactions with broker-dealers that provide research, seminars, and execution services. Main Management may pay a broker-dealer commissions for agency transactions that are in excess of the amount of commissions charged by other broker-dealers in recognition of these additional services.

As a result of receiving such products and services for no cost, Main Management may have an incentive to continue to place our clients' trades through broker-dealers that offer soft dollar arrangements. This interest conflicts with the client's interest of obtaining the lowest commission rate available. Therefore, Main Management must determine in good faith, based on the "best execution" policy stated above that such commissions are reasonable in relation to the value of the services provided by such executing broker-dealers.

The client should, depending upon the fee level charged by Main Management, consider the amount of portfolio activity in the client's account, the value of custodial and other services which are provided under the agreement, and other factors, the fee may or may not exceed the aggregate cost of such services if they were to be purchased separately.

To avoid creating a possible conflict of interest in recommending broker-dealers, we have established the following restrictions in order to ensure its fiduciary responsibilities:

- Main Management adheres to our Code of Ethics as outlined in Item 11 above.
- If Main Management receives separate compensation for transactions, we will fully disclose them.
- Main Management emphasizes the unrestricted right of you to select and choose your own broker or dealer.
- Main Management will always act in accordance with all applicable federal and state regulations governing registered investment advisory practices.

The Adviser previously participated in the TD Ameritrade Institutional customer program but was not a participant throughout 2021. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC. TD Ameritrade is an independent (and unaffiliated) SEC-registered broker-dealer. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. The Adviser receives some benefits from TD Ameritrade through its participation in the program. (Please see the disclosure under Item 14.)

The Adviser currently participates in the Schwab Advisor Services™ program. Schwab Advisor Services™ is Schwab's business serving independent investment advisory firms like Main Management. 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. Schwab also makes 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. (Please see the disclosure under Item 14.)

#### *Trade Errors*

From time-to-time, we may make an error in submitting a trade order. When this occurs, we have a written trade error policy which is implemented to correct any errors. We attempt to minimize the impact of trade errors by promptly performing daily electronic reconciliation procedures with order tickets and intended orders, and by reviewing past trade errors to understand whether internal control breakdowns, if any, caused the errors. Trading errors will be corrected at no cost to you.

#### **12.b: Sales Aggregation**

Main Management is authorized to aggregate purchases and sales and other transactions made for your account with purchases and sales and other transactions in the same or similar securities or instruments for other clients of ours. When we aggregate transactions, the actual prices applicable to the aggregated transactions will be averaged, and the account will be deemed to have purchased or sold its proportionate share of the securities or instruments involved at the average price obtained. Stock exchange regulations may in certain instances prevent the executing broker-dealer from delivering to the account a confirmation slip with respect to its participation in the aggregated transaction. We will direct that confirmations of any transactions effected for the account will be sent, in conformity with applicable law, to you.

We have instituted a policy regarding "trading away," where we have the authority to select the executing broker to attempt to receive a more favorable execution price for the client. Main Management may trade away if Main Management believes a custodian, platform or its affiliate may not provide best price or execution under the circumstances or Main Management otherwise deems it appropriate in light of research or brokerage services provided by a different broker. You should understand that our practice of trading away may result in certain clients paying and receiving different execution prices on the same security. Trading away may also result in fees charged by your broker when traded securities are settled in your account.

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### **ITEM 13 – REVIEW OF ACCOUNTS**

#### **13a: Periodic Reviews**

Accounts are monitored on a daily basis by Main Management's Investment Committee. General portfolio holdings are reviewed during the Investment Committee's monthly investment calls. The

committee reviews the accounts to assure that the portfolio's structure and individual holdings are suitable and consistent with that account's investment objectives and strategies.

### **13b: Review Triggers**

More frequent reviews may be triggered by a change in your investment objectives; tax considerations; large deposits or withdrawals; large sales or purchases; loss of confidence in corporate management; or, changes in economic climate.

### **13c: Regular Reports**

All direct investment advisory clients receive quarterly written reports from Main Management.

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## **ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION**

### **14a: Economic Benefits Provided by Third Parties for Advice Rendered to Clients**

As disclosed in Item 12 above, the Adviser receives an economic benefit from Charles Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. These include payments towards Tamarac Reporting. In addition, Schwab has 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 Schwab reaches a certain amount. These products and services, how they benefit us, and the related conflicts of interest are described below.

**Services that benefit you.** Schwab'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 Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

**Services that may not directly benefit you.** Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes 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.** Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business 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

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel.

#### Our interest in Schwab's services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services. This creates an incentive to recommend that you maintain your account with Schwab, based on our interest in receiving Schwab's services that benefit our business and Schwab's payment for services for which we would otherwise have to pay rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services and not Schwab's services that benefit only us.

#### **14b: Compensation to Non-Advisory Personnel for Client Referrals**

Main Management may pay a fee to individuals or entities that refer clients to us. Such persons are commonly called "solicitors." We will not pay a solicitor a referral fee unless the following conditions are met:

- The solicitor is not subject to a regulatory enforcement order or been convicted of a serious crime within the past 10 years;
- The solicitor and Main Management have entered into a written agreement that:
  - describes the activities and the fee the solicitor will receive;
  - contains an undertaking that the solicitor perform its activities in a manner consistent with Main Management's instructions and relevant State law; and
  - requires the solicitor to provide the prospective client with Main Management's ADV Part 2 A brochure, along with a written disclosure document; and
- At the time of entering an advisory contract with a solicited client, Main Management obtains a dated acknowledgement of receipt of our Form ADV Part 2 A brochure.

- Adviser may compensate members of the Main Management Advisory Board for constructive business development advice or productive introductions to industry contacts. If a particular payment constitutes, in the Adviser's judgment, a client solicitation arrangement under Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended, the Adviser will comply with the provisions of the Rule. The payment of fees to Advisory Board members generates a conflict to the extent that such payment creates an incentive for the recipient or beneficiary to recommend products or services of Main Management to a particular program, include Main Management in a preferred list of advisers, or refer clients to Main Management.

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#### ITEM 15 – CUSTODY

Main Management has custody for certain client accounts over which it possesses disbursement authority to move money to third party entities. In addition, the firm has custody of private fund accounts.

Clients receive quarterly (or more frequent) reports from both Main Management and their custodians. Clients may elect to receive these reports electronically. Other than the authorized withdrawal of advisory fees through the custodian, Main Management shall have no liability to the Client for any loss or other harm to any property in the account, including any harm to any property in the account resulting from the insolvency of the custodian or any unauthorized acts of the agents or employees of the custodian and whether or not the full amount or such loss is covered by the Securities Investor Protection Corporation ("SIPC") or any other insurance which may be carried by the custodian. The Client understands that SIPC provides only limited protection for the loss of property held by a broker-dealer. As a fiduciary, Main Management will always act in the Client's best interests and in doing so, the above does not limit or modify that duty to our clients. Custodial statements will include fees charged by Main Management. We strongly urge you to review the investment advisory fees contained in the custodial statement for accuracy.

##### Private Funds

Main Management has custody of investor accounts due to its ability to deduct fees, albeit through the fund's administrator. Furthermore, where Main Management serves as a general partner, it has the ability to access fund assets. To ensure compliance under Investment Advisory Act of 1940, audited financial statements of the private funds are sent to the investors in the respective funds within 120 days of the fund's fiscal year end. This audit is performed by an independently certified public accounting firm, under the registration and rules of the Public Companies Accounting Oversight Board. These reports are prepared under generally accepted accounting principles (GAAP) and are provided in writing for review. We strongly urge investors to carefully review these statements.

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**ITEM 16 – INVESTMENT DISCRETION**

Main Management asks our Clients to give us discretionary authority to execute transactions without our Client's prior approval. These transactions may include the purchase and selling of securities, arranging for payments or generally acting on behalf of our clients in most matters necessary to the handling of the account. Main Management has complete discretion over all trades executed for the private fund.

The strategies described here may be comprised, in part, of an investment fund registered with the SEC and managed by a Main Management affiliate ("Main Fund" and/or "Main ETF"). To the extent Main Fund and/or Main ETF is not used for a given strategy, Main Management will generally select from ETFs or other investment companies managed by third parties. Disclosure of the investment advisory fees paid to Main Management affiliates by Main Fund and/or Main ETF, as well as other fees charged, is available in the respective Fund's prospectus.

Because the affiliated Main Management Fund Advisors is compensated by Main Fund for providing management services to it, Main Management has a conflict of interest in utilizing Main Fund for investment strategies. However, while in some cases Main Fund may have management fees and expenses or performance that differs from other mutual fund or ETF alternatives, in each case where Main Fund is selected for incorporation in a strategy, Main Management has determined that the Main Fund is an appropriate security to implement a Main Management strategy. Factors such as risk management and tax aware investing have and will continue to be considered. Main Management may increase or decrease the amount of Main Fund used in any strategy at any time.

Given that the affiliated Main Management ETF Advisors is also compensated by Main ETF for providing management services to it, Main Management has a conflict of interest in utilizing Main ETF for investment strategies. However, while in some cases Main ETF may have management fees and expenses or performance that differs from other mutual fund or ETF alternatives, in each case where Main ETF is selected for incorporation in a strategy, Main Management has determined that the Main ETF is an appropriate security to implement a Main Management strategy. Factors such as risk management, tax aware investing, tracking error, trading volume and liquidity have and will continue to be considered. Main Management may increase or decrease the amount of Main ETF used in any strategy at any time.

In certain circumstances, we will request non-discretionary authority over our clients' accounts. Non-discretionary authority requires us to obtain your prior approval of each specific transaction prior to executing investment recommendations.

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**ITEM 17 – VOTING CLIENT SECURITIES**

Unless the power to vote proxies for a Client is reserved to that Client, Main Management will be responsible for voting the proxies related to that account. Main Management has determined that it is in the best interests of its Clients to vote proxies in a manner that furthers the economic interest of its Clients with the objective of maximizing the ultimate economic value of the investment. Main's policy requires that the firm vote proxies on behalf of all of its discretionary clients in a prudent manner considering the prevailing circumstances. Main Management also votes proxies on behalf of the private fund.

Main Management utilizes the proxy voting services of ProxyEdge to vote proxies on behalf of its Clients. Main has adopted specific procedures, which address proxy voting responsibilities, managing of material conflicts of interest, record-keeping and disclosure requirements.

Main Management votes proxies for the securities in a Client account in a manner solely in the interest of the Client. Main Management will consider only those factors that relate to the Client's investment, including how its vote will economically impact and affect the value of the Client's investment. Generally, proxy votes will be cast in favor of proposals that maintain or strengthen the shared interests of shareholders and management, increase shareholder value, maintain or increase shareholder influence over the issuer's board of directors and management, and maintain or increase the rights of shareholders; proxy votes generally will be cast against proposals having the opposite effect(s). In all proxy voting, Main Management and its employees will vote in diligent fashion and only after a careful evaluation of the issue presented on the ballot.

Upon request, Clients may receive copies of the Adviser's proxy voting policies and information regarding the manner in which securities held in their account were voted by contacting Hafeez Esmail, Chief Compliance Officer, at (415) 217-5800.

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**ITEM 18 – FINANCIAL INFORMATION****18a: Balance Sheet**

Main Management does not solicit prepayment of more than \$1,200 in fees per client six (6) months in advance.

**18b: Financial Conditions**

As an advisory firm, Main Management LLC is required to disclose any financial condition that is reasonable likely to potentially impact our ability to meet our contractual obligations. As a small business, Main Management LLC received a loan through the United States Small Business

Association's Paycheck Protection Program ("PPP") under Division A, Title I of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) on April 20th, 2020.

All PPP loan proceeds have and will be used for costs associated with payroll and compensation to employees whose principal place of residence is the United States and are permitted under the PPP Rule.

Main Management LLC does not believe the acceptance of this PPP loan is a financial condition which will impair our ability to meet contractual commitments to our clients.

**18c: Bankruptcy Petition**

Main Management has never been the subject of a bankruptcy petition.

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**ITEM 19 – REQUIREMENTS FOR STATE REGISTERED ADVISERS**

Not Applicable as Main Management is a registered investment adviser with the U.S. Securities and Exchange Commission.