**Which Type of Account is Right for You — Brokerage, Investment Advisory or Both?**

There are different ways you can get help with your municipal bond investments. You should carefully consider which types of accounts and services are right for you.

**Depending on your needs and investment objectives, we can provide you with services in a brokerage account, investment advisory account, or both at the same time.** This document gives you a summary of the types of services we provide and how you pay. Please ask us for more information. There are some suggested questions on page 4.

| ***Broker‐Dealer Services***  **Brokerage Accounts** | ***Investment Adviser Services***  **Advisory Accounts** |
| --- | --- |
| **Types of Relationships and Services.** *What investment services and advice can you provide me? Our accounts and services fall into two categories.* | |
| * If you open a brokerage account, you will pay us as part of the price a “mark-up” or mark-down”, every time you buy or sell an investment. * You may select investments or we may recommend investments for your account, but the ultimate investment decision for your investment strategy and the purchase or sale of investments will be yours. * We can offer you additional services to assist you in developing and executing your investment strategy and monitoring the performance of your account but you might pay more. We will deliver account statements to you each quarter in paper or electronically. * We offer a limited very specialized selection of municipal bond investments. Other firms offer a wider range of choices, some of which might have lower costs. | * If you open an advisory account, you will pay an on‐going ***asset‐based fee*** for our services. * We will offer you advice on a regular basis. We will discuss your investment goals to design a strategy to achieve your investment goals, and regularly monitor your account. We will contact you (by phone or e‐ mail) at least semi-annually to discuss your portfolio. * You can choose an account that allows us to buy and sell investments in your account without asking you in advance (a “***discretionary account***”) or we may give you advice and you decide what investments to buy and sell (a “***non‐discretionary account***”). * Our investment advice will cover a limited selection of municipal bond investments. Other firms could provide advice on a wider range of choices, some of which might have lower costs. |
| **Our Obligations to You.** *What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment adviser? We must abide by certain laws and regulations in our interactions with you.* | |
| * We must act in your best interest and not place our interests ahead of yours when we recommend an investment or an investment strategy involving securities. * When we provide any service to you, we must treat you fairly and comply with a number of specific obligations. Unless we agree otherwise, we are not required to monitor your portfolio or investments on an ongoing basis. * Our interests can conflict with your interests. When we provide recommendations, we must eliminate these conflicts or tell you about them and in some cases reduce them. | * We are held to a fiduciary standard that covers our entire investment advisory relationship with you. For example, we are required to monitor your portfolio, investment strategy and investments on an on-going basis. * Our interests can conflict with your interests. We must eliminate these conflicts or tell you about them in a way you can understand, so that you can decide whether or not to agree to them. |
| **Fees and Costs.** *What fees will I pay? How do your financial professionals make money? Help me understand how these fees and costs might affect my investments. If I give you $10,000 to invest, how much will go to fees and costs, and how much will be invested for me? Fees and costs affect the value of your account over time. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please ask your financial professional to give you personalized information on the fees and costs that you will pay.* | |
| * *Transaction‐based fee*s. You will pay us a fee every time you buy or sell an investment. This fee, commonly referred to as a “mark-up” or ”mark-down”, is based on the specific transaction and not the value of your account. * Our fees vary and are negotiable. The amount you pay will depend, for example, on how much you buy or sell, what type of investment you buy or sell, and what kind of account you have with us. * We charge you additional fees, such as custodian fees, account maintenance fees, and account inactivity fees. * The more transactions in your account, the more fees we charge you. We, therefore, have an incentive to encourage you to engage in transactions. * From a cost perspective, you may prefer a transaction‐based fee if you do not trade often or if you plan to buy and hold investments for longer periods of time. | * *Asset‐based fees.* You will pay an on‐going fee at the end of each quarter based on the value of the cash and investments in your advisory account. * The amount paid to our firm and your financial professional generally does not vary based on the type of investments we select on your behalf. The asset‐based fee reduces the value of your account and will be deducted from your account. * For advisory accounts, the asset‐based fee will include most transaction costs and custody services. * Our fees vary and are negotiable. The amount you pay will depend, for example, on the services you receive and the amount of assets in your account. * The more assets you have in the advisory account, including cash, the more you will pay us. We therefore have an incentive to increase the assets in your account in order to increase our fees. You pay our fee quarterly even if you do not buy or sell. * An asset‐based fee may cost more than a transaction‐based fee, but you may prefer an asset‐based fee if you want continuing advice or want someone to make investment decisions for you. |
| **Conflicts of Interest.** *How else does your firm make money and what conflicts of interest do you have? We benefit from the services we provide to you. When we provide you with a recommendation as your broker-dealer or act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide you. Here are some examples to help you understand what this means.* | |
| * We can make extra money by selling you certain investments, such as our tax advantaged opportunity funds that are managed by our firm. * We can buy investments from you, and sell investments to you, from our own accounts (called “***acting as principal***”). We can earn a profit on these trades, so we have an incentive to encourage you to trade with us. | * We can make extra money by advising you to invest in certain investments, such as our tax advantaged opportunity funds that are managed by our firm. * We can buy investments from you, and sell investments to you, from our own accounts (called “***acting as principal***”), ***but only with your specific approval on each transaction*.** Our normal practice is to not receive any compensation on these trades. |
| **Additional Information/Legal or Disciplinary History.** *Do you or your financial professionals have a legal or disciplinary history? For what type of conduct? We encourage you to seek out additional information.* | |
| * We have legal and disciplinary events. Visit Investor.gov for a free and simple search tool to research our firm and our financial professionals. * For additional information about our brokers and services, visit Investor.gov or BrokerCheck (BrokerCheck.Finra.org), our website (Mainlinewest.net), and your account agreement. For additional information on advisory services, see our Form ADV brochure on IAPD, on Investor.gov, or on our website (Mainlinewest.net/FormADV) and any brochure supplement your financial professional provides. * To report a problem to the SEC, visit Investor.gov or call the SEC’s toll‐free investor assistance line at (800) 732‐0330. To report a problem to FINRA 1735K Street NW Washington DC 2006 301-590-6500. If you have a problem with your investments, account or financial professional, contact us in writing at Mainline West 2237 West 30th Ave., Denver CO 80211. 720-536-3380. | |
| **Key Questions to Ask.***Ask our financial professionals these key questions about our investment services and accounts.* | |
| 1. Given my financial situation, why should I choose an advisory account? Why should I choose a brokerage account? 2. Do the math for me. How much would I expect to pay per year for an advisory account? How much for a typical brokerage account? What would make those fees more or less? What services will I receive for those fees? 3. What additional costs should I expect in connection with my account? 4. Tell me how you and your firm make money in connection with my account. Do you or your firm receive any payments from anyone besides me in connection with my investments? 5. What are the most common conflicts of interest in your advisory and brokerage accounts? Explain how you will address those conflicts when providing services to my account. 6. How will you choose investments to recommend for my account? 7. How often will you monitor my account’s performance and offer investment advice? 8. Do you or your firm have a disciplinary history? For what type of conduct? 9. What is your relevant experience, including your licenses, education, and other qualifications? 10. Who is the primary contact person for my account, and is he or she a representative of an investment adviser or a broker‐dealer? If I have concerns about how this person is treating me, who can I talk to? | |