

Folio Institutional Solutions

Main Management, LLC

The Challenge

Main Management, a San Francisco based money manager with \$420m in AUM, is a pioneer in active ETF investing. The firm is committed to delivering transparent and cost-effective investment solutions. “Main seeks to identify sectors that look undervalued relative to their historical mean and the relevant benchmark index,” says Hafeez Esmail, Vice President at Main Management. “When compared to mutual funds and other ‘stock picking’ solutions, most of which underperform their benchmarks, Main’s system for identifying ETFs in undervalued sectors at the turning point in their investment cycle has shown to be an effective means of generating alpha.”

While achieving success in their primary market, Main found their goal of providing managed ETF portfolio models to the 401(k) marketplace to be elusive. “Many 401(k) plans offer little support and force participants, lacking all but the most basic investing knowledge, to become their own portfolio manager. We wanted to deliver an effective, transparent, managed 401(k) solution so participants don’t have to do it themselves,” says Esmail. “But most plans were only set up to trade mutual funds. We became concerned that delivering our managed ETF portfolios within a 401(k) plan structure might be impractical. Then we discovered Folio Institutional.”

“Main took early notice of the trends in the 401(k) industry, particularly the potential for ETFs and managed portfolios. They were also especially keen on reducing fiduciary risk and offering a diversified, cost-effective solution,” says Alan Smith, Vice President of Retirement Services at Folio Institutional. “It’s remarkable just how similar our philosophies are. It was also immediately evident when I first met Main that our unique model management system, and commission-free, fractional-share trading capabilities, fit right into their solution.”



Folio Institutional Made it Possible

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The Folio Institutional Solution

Working with Folio Institutional, Main now provides an easily accessible, scalable, and yet wholly customizable 401(k) solution to a broad spectrum of financial advisors. Main’s compelling solution provides age-based, risk-managed ETF portfolios with a hedged, risk management overlay to provide a balanced investment perspective.

“With Folio Institutional’s model-based portfolios, asset allocation tools, and automated trading features, we found the ideal delivery mechanism for our managed retirement plan solution,” states Esmail.

“We now offer our breakthrough ETF-based 401(k) solution to a rapidly growing, nationally recognized client list that includes RIAs, independent broker/dealers, recordkeepers, TPAs, and custodians. Without Folio Institutional, we’d be unable to deliver our solution to advisors in such an effective manner.”

New Business Opportunities

“Given that Main’s transparent, risk-managed ETF offering is a new and much needed retirement plan solution, it has limitless growth potential in the multi-billion dollar retirement plan industry,” says Mr. Esmail. “It’s rewarding to finally bring our client focused product to the market in its full potential, and to start fighting the behemoths in the 401(k) industry.”

There has been a great deal of talk about 401(k) plans both in congress and among professionals in the last couple of years. Main Management, in response to new regulation, has introduced their Simplified 401(k) plan, the “SkPlan.” This innovative approach dramatically reduces the liability of plan fiduciaries and delegates the investment management responsibility to Main’s investment management team. “We’re pleased to finally relieve employees of their anxiety about making complicated retirement decisions, and to offer them a path to greater investing success,” says Esmail in closing, “and we could not ask for a better partner than Folio Institutional.”

About Folio Institutional

FOLIO*fn* Investments, Inc. delivers innovative investment solutions to financial professionals and institutions through Folio Institutional.

At the core of all Folio Institutional products and services is our proprietary trading platform. This easy-to-use, web-based investing system enables users to customize portfolios of securities - called Folios - which they can buy or sell in a single transaction, and which financial institutions can easily make available to thousands of accounts.

Through our commitment to innovation, partnership and service Folio Institutional provides unique products and services that enable you to serve your clients better, operate more efficiently, and grow your business more quickly. Hundreds of investment firms currently use Folio Institutional platform, enabling them to offer some of the most innovative investment programs available today.

What Can We Do For You?

At the core of Folio Institutional is our fully integrated, cost-effective, dedicated account management and trading platform designed for advisors like you. We provide the tools you need to take your practice to the next level.

To learn how we can work for you, or to schedule a no-obligation demonstration, please visit our website at www.folioinstitutional.com or call us at **888-485-3456**.



8180 Greensboro Drive
8th Floor
McLean, VA 22102
www.folioinstitutional.com