

MIDDLE COAST INVESTING LLC

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FORM ADV PART 2A
FIRM BROCHURE
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This brochure provides information about the qualifications and business practices of Middle Coast Investing LLC. If you have any questions about the contents of this brochure, please contact us at Daniel@middlecoastinvesting.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Middle Coast Investing LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about Middle Coast Investing LLC is available on the SEC's website www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Middle Coast Investing LLC's CRD number is 328569.

Item 2 - Material Changes

We do not have any material changes to report because this is our initial brochure. In the future, this Item will discuss only specific material changes that are made to the brochure and provide you with a summary of these changes. We will also reference the date of our last annual update to this brochure.

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Item 4 – Advisory Business

OWNERSHIP/ADVISORY HISTORY

Middle Coast Investing LLC (“We”) is a Michigan Limited Liability Company formed in June 2020. We became registered as an investment adviser in October 2023. Daniel Shvartsman is our managing member and chief compliance officer. Additional information about Mr. Shvartsman can be found under Item 19 along with his supplemental brochure.

ADVISORY SERVICES OFFERED

PORTFOLIO MANAGEMENT SERVICES

Our portfolio management services are offered to assist with the ongoing management of your investment accounts. We work with you to understand your investment objectives, time frame and risk tolerance. With this information we create a customized portfolio. We will request discretionary authority from you to select securities and execute transactions without permission from you prior to each transaction. We base our investment recommendations on a variety of factors including, but not limited to, performance risk, fees, tax efficiency of different investment strategies, as well as your input and preferences regarding the strategies.

We have two types of managed portfolios strategies. The first is an index-based portfolio strategy comprised of exchange traded funds. This portfolio strategy is passive in nature because it tracks a particular index or indices agreed to by you and us. Our second managed portfolio strategy will entail an actively managed account that is comprised of individual equities. Your account will be personalized to your risk tolerance and investment objectives while based on our general stock selection principles and practices.

TAILORED SERVICES

The goals and objectives for each client are documented before any management takes place. You may impose restrictions on investing in certain securities or types of securities.

WRAP PROGRAM

We do not sponsor a wrap fee program.

CLIENT ASSETS MANAGED

As of the date of this brochure, we do not manage client assets as we are a newly formed investment adviser.

Item 5 – Fees and Compensation

PORTFOLIO MANAGEMENT SERVICES

Portfolio management services are charged an annual management fee based on the percentage of assets under management as reported by the custodian. Our maximum annual management fee is 1.00%. We require a minimum annual fee of \$100 per account. The fee is negotiable primarily based on, but not limited to, the amount of assets being managed, the amount of time and cost to be spent managing and servicing the relationship, as well as the

regularity of client review meetings. Accounts are aggregated in a household and may achieve a lower management fee as a result.

The management fee is calculated and billed quarterly, in arrears based on the average daily value of the assets held in the account over the calendar quarter. For example, fees for a given day with assets under management of \$500,000 is \$13.69 (\$500,000 multiplied by 1.00% divided by 365 days equals \$13.69); the daily fee is then multiplied by 90 days in a quarter (\$13.69 multiplied by 90 equals a total quarterly fee of \$1,232.10). The total fee is then deducted on a quarterly basis. Cash balances and investments in money market funds, demand deposit accounts, or certificates of deposit held in the account are included in the fee calculations.

You will be asked to authorize us with the ability to instruct the custodian to deduct our management fee from your account. You may cancel this authorization at any time and will be billed for fees incurred via invoice. Please see Item 15 for additional details regarding fee deduction.

Our fees are separate and distinct from any other fees or expenses. Other fees and expenses may include brokerage commissions, transaction fees, or other related costs and expenses that are normally incurred by you. You may incur certain charges imposed by custodians, brokers, and other third parties such as fees charged by managers, custodial fees, 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. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to, our fee and we will not receive any portion of these commissions, fees, and costs. For more information about our brokerage practice please see Item 12.A.

TERMINATION OF SERVICES

You may terminate any of our services for any reason within the first five (5) business days after signing the contract without any cost or penalty for a full refund. Thereafter, the contract may be terminated at any time by giving ten (10) days written notice. All management fees will be prorated through the day of cancellation. To cancel the agreement, you must notify us in writing to Middle Coast Investing LLC, 206 East Loomis Street, Ludington, MI 49431.

OTHER SECURITIES COMPENSATION

We do not receive any additional securities compensation.

Item 6 – Performance-Based Fees and Side by Side Management

We do not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client) or provide side by side management.

Item 7 – Types of Clients

We offer our services to individuals and high net worth individuals. We do not require a minimum account size; however, we recommend a minimum account size of \$50,000 for an actively managed portfolio.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

We have two main investment strategies. Our index portfolio strategy is a passive investment strategy in which the securities are purchased and held a diversified mix of assets to match, not beat, the market. The most common passive investing approach is to buy an index fund or funds, whose holdings mirror a particular or representative segment of the financial market. Passive investing is the opposite of active tactical investing. Benefits of passive investment management are that a portfolio typically has good diversification, low turnover (good for keeping down internal transaction costs and potentially capital gains taxes), and typically lower investment management fees.

Our other investment strategy, fundamental analysis, is used in our active management portfolios. Fundamental analysis is a technique that attempts to determine a security's value by focusing on underlying factors that affect a company's *actual* business and its prospects. The analysis is performed on historical and present data. On a broader scope, one can perform fundamental analysis on industries or the economy. The term refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements. The risk associated with fundamental analysis is that despite the appearance that a security is undervalued, it may not rise in value as predicted.

INVESTMENT RISKS

All investment programs have certain risks that are borne by you and **investing in securities involves risk of loss that clients should be prepared to bear**. Our goal is to reduce the risk of loss, but not at the expense of portfolio growth. Recommended investment strategies seek to balance risks and rewards to achieve investment objectives. To manage risk, we rebalance model portfolios on an as needed basis to bring the asset allocations back to their intended balances. You should feel free to ask questions about risks that you don't understand; we would be pleased to discuss them.

RECOMMENDED SECURITIES

We use several types of securities in client portfolios including, but not limited to, Inverse and leveraged funds, exchange traded funds (ETFs), stocks, and bonds (short-term treasuries). Some of the risk associated with these securities include:

- **Credit Risk:** This is the risk an issuer of a bond could suffer an adverse change in financial condition that results in a payment default, security downgrade, or inability to meet financial obligation.
- **Inflation Risk:** This is the risk that inflation will undermine the performance of an investment and/or the future purchasing power of a client's assets.
- **Interest Rate Risk:** The chance that bond prices overall will decline because of rising interest rates.
- **International Investing Risk:** Investing in the securities of non-U.S. companies involves special risks not typically associated with investing in U.S. companies. Foreign securities tend to be more volatile and less liquid than investments in U.S. securities, and may lose value because of adverse political, social or economic developments overseas or due to changes in the exchange rates between foreign currencies and the U.S. dollar. In addition, foreign investments are subject to settlement practices, as well as regulatory and financial reporting standards, that differ from those of the U.S.
- **Inverse Risk:** An inverse ETF attempts to mimic the inverse, or opposite, of its stated benchmark. For example, an inverse S&P 500 ETF would attempt to deliver the opposite of the S&P 500's daily performance, net of fees. These funds, also called "Short ETFs or Bear ETFs" are often in attempt to profit from downturn in a given market, sector, or index, or to hedge against a potential loss in their portfolio. Although an inverse ETF does not explicitly use leverage to magnify the intended return, they can suffer from the same compounding effects as the leveraged long and leveraged short ETFs.
- **Liquidity Risk:** Liquidity risk exist when particular investments are difficult to purchase or sell, possibly preventing the ability to sell such illiquid securities at an advantageous time or price, or possibly requiring the client to dispose of other investments at unfavorable times or prices in order to satisfy its obligations.
- **Manager Risk:** The chance that the proportions allocated to the various securities will cause the client's account to underperform relevant to benchmarks or other accounts with a similar investment objective.
- **Stock Market Risk:** The chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices.
- **Lower Yields Risk:** Because of the inherent safety and short-term nature of a CD, yields on CDs tend to be lower than other higher risk investments.
- **Interest Rate Fluctuation:** Like all fixed income securities, CD prices are susceptible to fluctuations of interest rates. If interest rates rise, the market price of outstanding CDs will generally decline. However, since changes in interest rates will have the most effect on longer maturities, short-term CDs are generally less susceptible to interest rate movements.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. These include the following:

- A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which the *firm* or *supervised person*
1. was convicted of, or pled guilty or nolo contendere (“no contest”) to (a) any *felony*; (b) a *misdemeanor* that *involved* investments or an *investment-related* business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
 2. is the named subject of a pending criminal *proceeding* that involves an *investment-related* business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
 3. was *found* to have been *involved* in a violation of an *investment-related* statute or regulation; or
 4. was the subject of any *order*, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the *supervised person* from engaging in any *investment-related* activity, or from violating any *investment-related* statute, rule, or *order*.

We have no information applicable to this item.

- B. An administrative *proceeding* before the SEC, any other federal regulatory agency, any state regulatory agency, or any *foreign financial regulatory authority* in which the *firm* or *supervised person*
1. was *found* to have caused an *investment-related* business to lose its authorization to do business; or
 2. was *found* to have been *involved* in a violation of an *investment-related* statute or regulation and was the subject of an *order* by the agency or authority
 - i. denying, suspending, or revoking the authorization of the *supervised person* to act in an *investment-related* business;
 - ii. barring or suspending the *supervised person's* association with an *investment-related* business;
 - iii. otherwise significantly limiting the *supervised person's investment-related* activities; or
 - iv. imposing a civil money penalty of more than \$2,500 on the *supervised person*.

We have no information applicable to this item.

C. *A self-regulatory organization (SRO) proceeding* in which the *firm or supervised person*

1. *was found* to have caused an *investment-related* business to lose its authorization to do business; or
2. *was found* to have been *involved* in a violation of the *SRO's* rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from *investment-related* activities; or (iii) fined more than \$2,500.

We have no information applicable to this item.

D. *Any other proceeding* in which a professional attainment, designation, or license of the *supervised person* was revoked or suspended because of a violation of rules relating to professional conduct. If the *supervised person* resigned (or otherwise relinquished his attainment, designation, or license) in anticipation of such a *proceeding* (and the adviser knows, or should have known, of such resignation or relinquishment), disclose the event.

We have no information applicable to this item.

Item 10 – Other Financial Industry Activities and Affiliations

BROKER DEALER AFFILIATION

We are not affiliated with a broker-dealer.

FUTURES/COMMODITIES FIRM AFFILIATION

We are not affiliated with a futures or commodities broker.

OTHER INDUSTRY AFFILIATIONS

We have no other industry affiliations to report.

RECOMMENDATION OF THIRD-PARTY INVESTMENT ADVISER

We do not use the services of Third-Party Investment Advisers.

Item 11 – Code of Ethics, Participation or Interest in Client Transaction and Personal Trading

DESCRIPTION

Our Code of Ethics establishes ideals for ethical conduct based upon fundamental principles of openness, integrity, honesty, and trust. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

Our Code of Ethics covers all supervised persons and it describes our high standard of business conduct and fiduciary duty to our clients. The Code of Ethics includes, among other things, provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition on rumor mongering, restrictions on the acceptance of significant gifts and the

reporting of certain gifts and business entertainment items, and personal securities trading procedures. All supervised persons must acknowledge the terms of the Code of Ethics annually or as amended.

MATERIAL INTEREST IN SECURITIES

We do not have a material interest in any securities.

INVESTING IN OR RECOMMENDING THE SAME SECURITIES

Our staff is permitted to engage in personal securities transactions. These transactions create potential conflicts of interest if they were to trade in advance in a security that is owned by you or considered for purchase or sale on your behalf. We have adopted policies and procedures that are reasonably designed to effect transactions for you in a manner consistent with the fiduciary duty owed to each client. Our staff who buys and sells the same securities bought or sold for a you may do so only if they comply with our written policies and procedures.

Item 12 – Brokerage Practices

RECOMMENDATION CRITERIA

We do not maintain custody of client assets. Your assets must be maintained in an account at a “qualified custodian,” which is generally a broker-dealer or bank. We recommend that you use Charles Schwab & Co., Inc., (“Schwab”) a registered broker-dealer, member FINRA/SPIC as the qualified custodian. We are independently owned and operated and not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that you use Schwab as the custodian/broker, you will decide whether to do so and open an account with Schwab by entering into an account agreement directly with them; we do not open the account for you, but we will assist you in doing so. If you do not wish to place your assets with Schwab, then we cannot manage the account.

Please Note: You may be able to obtain lower commissions and fees from other brokers, and the value of products, research and services given to the applicant is not a factor in determining the selection of broker-dealers or the reasonableness of their commissions.

RESEARCH AND SOFT DOLLARS

“Soft dollars” are defined as a form of payment investment firms can use to pay for goods and services such as news subscriptions or research. When an investment firm gives its business to a particular brokerage firm, the brokerage firm in return can agree to use some of its revenue to pay for these types of services. We do not receive any soft dollars.

BROKERAGE FOR CLIENT REFERRALS

We do not receive client referrals or any other incentive from any broker-dealer or custodian.

DIRECTED BROKERAGE

We do not allow directed brokerage.

TRADE AGGREGATION

We may aggregate transactions in equity and fixed income securities for a client with other clients to improve the quality of execution. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and each client account will be deemed to have purchased or sold its proportionate share of the securities involved at the average price obtained. We may determine not to aggregate transactions, for example, based on the size of the trades, the number of client's accounts, the timing of the trades, the liquidity of the securities or the discretionary or non-discretionary nature of the trades. If we do not aggregate orders, some clients purchasing securities around the same time may receive a less favorable price than other clients. This means that the practice of not aggregating may cost clients more money.

Item 13 – Review of Accounts

PERIODIC REVIEWS

Our owner, Daniel Shvartsman, will conduct a quarterly rebalance for Index portfolios and monthly or more regular reviews of Actively Managed Portfolios. He will also attempt to meet with you semiannually either in person, by telephone, or zoom meeting to conduct a review and provide any updates to your financial situation.

OTHER REVIEWS

Additional reviews are conducted periodically depending on the market conditions, economic or political events, or by changes in your financial situation (such as retirement, termination of employment, physical move or inheritance).

REPORTS

You will receive quarterly review letters regarding your whole portfolio with a tailored section for each client. You will also receive at least quarterly account statements from the account's custodian. We urge you to carefully review such statements.

Item 14 – Client Referrals and Other Compensation

OTHER COMPENSATION

We do not receive additional compensation or economic benefits.

CLIENT REFERRALS

We do not pay for client referrals or use solicitors.

Item 15 – Custody

All your funds, securities and accounts are held by a qualified custodian, Charles Schwab. We do not take possession of your securities. However, you will be asked to authorize us with the ability to instruct the custodian to deduct our management fee from your account. This authorization will apply to our management fee only. This is considered a limited form of custody. You may terminate this authorization at any time. You will receive at least quarterly account statements

from the custodian that holds and maintains your assets. We urge you to carefully review these account statements.

Item 16 – Investment Discretion

We offer discretionary and non-discretionary investment management services. In order to grant us discretionary power over the account you must sign the investment management agreement. Our investment management agreement contains a limited power of attorney that allows us to select the securities to be bought and sold and the amount of securities to be bought and sold in your account(s). It also allows us to place each trade without your prior approval. Your custodian may also request that you sign the custodian’s limited power of attorney. This varies with each custodian. We will discuss all limited powers of attorney prior to their execution. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for your account, and any other investment policies, limitation, or restrictions.

Item 17 – Voting Client Securities

We do not vote proxy votes for any client. All proxy materials are mailed or emailed directly to you from the custodian. Any proxy materials received by us will be forwarded to you for response and voting. In the event you have a question about proxy solicitation, you should feel free to contact us.

Item 18 – Financial Information

BALANCE SHEET

We do not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance. Therefore, we are not required to provide a balance sheet.

FINANCIAL CONDITION

We are required in this Item to provide you with certain financial information or disclosures about our financial condition if we have a financial commitment that impairs our ability to service you. We do not have a financial commitment that impairs our ability to service our clients.

BANKRUPTCY

We have not been the subject of a bankruptcy proceeding.

Item 19 – Requirements for State-Registered Advisers

We have one principal executive officer, Daniel Shvartsman (“Mr. Shvartsman”). Mr. Shvartsman’s biographical information is provided in the attached Brochure Supplement Document.

Mr. Shvartsman is required to disclose additional information if he has other business activities, receives a portion of performance-based fees, or has any relationship or arrangement with an issuer of securities. Mr. Shvartsman does not currently have any other business activities to report, he does not receive performance-based fees or have any relationship or arrangement with an issuer of securities.

We have NOT been involved in any of the events listed below:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
 - (a) an investment or an investment-related business or activity;
 - (b) fraud, false statement(s), or omissions;
 - (c) theft, embezzlement, or other wrongful taking of property;
 - (d) bribery, forgery, counterfeiting, or extortion; or
 - (e) dishonest, unfair, or unethical practices.

2. An award or other being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
 - (a) an investment or an investment-related business or activity;
 - (b) fraud, false statement(s), or omissions;
 - (c) theft, embezzlement, or other wrongful taking of property;
 - (d) bribery, forgery, counterfeiting, or extortion; or
 - (e) dishonest, unfair, or unethical practices.