

## Uniform Application for Investment Adviser Registration

Name of Investment Adviser:

**Berkeley, Inc.**

Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code	Telephone Number
<b>3778 Plantation River Drive, Suite 102</b>	<b>Boise</b>	<b>ID</b>	<b>83703</b>	<b>(208)</b>	<b>853-6980</b>

**This part of Form ADV gives information about the investment adviser and its business for the use of clients.**

**The information has not been approved or verified by any governmental authority.**

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

**Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

**1. A. Advisory Services and Fees.** (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service.

(See instruction below.)

**Applicant:**

- |                                     |     |   |           |   |
|-------------------------------------|-----|---|-----------|---|
| <input checked="" type="checkbox"/> | (1) | Provides investment supervisory services . . . . .  | <u>50</u> | % |
| <input type="checkbox"/>            | (2) | Manages investment advisory accounts not involving investment supervisory services . . . . .  | _____     | % |
| <input type="checkbox"/>            | (3) | Furnishes investment advice through consultations not included in either service described above . . . . .  | _____     | % |
| <input type="checkbox"/>            | (4) | Issues periodicals about securities by subscription . . . . .   | _____     | % |
| <input type="checkbox"/>            | (5) | Issues special reports about securities not included in any service described above . . . . .   | _____     | % |
| <input type="checkbox"/>            | (6) | Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities . . . . . | _____     | % |
| <input checked="" type="checkbox"/> | (7) | On more than an occasional basis, furnishes advice to clients on matters not involving securities . . . . .   | <u>40</u> | % |
| <input type="checkbox"/>            | (8) | Provides a timing service . . . . .   | _____     | % |
| <input checked="" type="checkbox"/> | (9) | Furnishes advice about securities in any manner not described above . . . . .   | <u>10</u> | % |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does applicant call any of the services it checked above financial planning or some similar term? . . . . .  Yes  No

C. Applicant offers investment advisory services for: (check all that apply)

- |                                     |     |  |                          |     |                   |
|-------------------------------------|-----|--|--------------------------|-----|-------------------|
| <input checked="" type="checkbox"/> | (1) | A percentage of assets under management      | <input type="checkbox"/> | (4) | Subscription fees |
| <input checked="" type="checkbox"/> | (2) | Hourly charges                               | <input type="checkbox"/> | (5) | Commissions       |
| <input checked="" type="checkbox"/> | (3) | Fixed fees (not including subscription fees) | <input type="checkbox"/> | (6) | Other             |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

**2. Types of Clients** — Applicant generally provides investment advice to: (check those that apply)

- |                                     |    |                                  |                                     |    |   |
|-------------------------------------|----|----------------------------------|-------------------------------------|----|---|
| <input checked="" type="checkbox"/> | A. | Individuals                      | <input checked="" type="checkbox"/> | E. | Trusts, estates, or charitable organizations                    |
| <input type="checkbox"/>            | B. | Banks or thrift institutions     | <input checked="" type="checkbox"/> | F. | Corporations or business entities other than those listed above |
| <input type="checkbox"/>            | C. | Investment companies             | <input type="checkbox"/>            | G. | Other (describe on Schedule F)                                  |
| <input checked="" type="checkbox"/> | D. | Pension and profit sharing plans |                                     |    |   |

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**3. Types of Investments.** Applicant offers advice on the following: (check those that apply)

- A. Equity securities  H. United States government securities
- (1) exchange-listed securities  
 (2) securities traded over-the-counter  
 (3) foreign issuers
- I. Options contracts on:  
 (1) securities  
 (2) commodities
- B. Warrants
- J. Futures contracts on:  
 (1) tangibles  
 (2) intangibles
- C. Corporate debt securities (other than commercial paper)
- D. Commercial paper
- E. Certificates of deposit
- K. Interests in partnerships investing in:  
 (1) real estate  
 (2) oil and gas interests  
 (3) other (explain on Schedule F)
- F. Municipal securities
- L. Other (explain on Schedule F)
- G. Investment company securities:  
 (1) variable life insurance  
 (2) variable annuities  
 (3) mutual fund shares

**4. Methods of Analysis, Sources of Information, and Investment Strategies.**

A. Applicant's security analysis methods include: (check those that apply)

- (1)  Charting  
(2)  Fundamental  
(3)  Technical  
(4)  Cyclical  
(5)  Other (explain on Schedule F)

B. The main sources of information applicant uses include: (check those that apply)

- (1)  Financial newspapers and magazines  
(2)  Inspections of corporate activities  
(3)  Research materials prepared by others  
(4)  Corporate rating services  
(5)  Timing services  
(6)  Annual reports, prospectuses, filings with the Securities and Exchange Commission  
(7)  Company press releases  
(8)  Other (explain on Schedule F)

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- (1)  Long term purchases (securities held at least a year)  
(2)  Short term purchases (securities sold within a year)  
(3)  Trading (securities sold within 30 days)  
(4)  Short sales  
(5)  Margin transactions  
(6)  Option writing, including covered options, uncovered options, or spreading strategies  
(7)  Other (explain on Schedule F)

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**5. Education and Business Standards.**

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? .....  Yes  No

(If yes, describe these standards on Schedule F.)

**6. Education and Business Background.**

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

● name	● formal education after high school
● year of birth	● business background for the preceding five years

**7. Other Business Activities.** (check those that apply)

A. Applicant is actively engaged in a business other than giving investment advice.

B. Applicant sells products or services other than investment advice to clients.

C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

**8. Other Financial Industry Activities or Affiliations.** (check those that apply)

A. Applicant is registered (or has an application pending) as a securities broker-dealer.

B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.

C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:

<input checked="" type="checkbox"/> (1) broker-dealer	<input type="checkbox"/> (7) accounting firm
<input type="checkbox"/> (2) investment company	<input type="checkbox"/> (8) law firm
<input type="checkbox"/> (3) other investment adviser	<input type="checkbox"/> (9) insurance company or agency
<input type="checkbox"/> (4) financial planning firm	<input type="checkbox"/> (10) pension consultant
<input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant	<input type="checkbox"/> (11) real estate broker or dealer
<input type="checkbox"/> (6) banking or thrift institution	<input type="checkbox"/> (12) entity that creates or packages limited partnerships

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest? .....  Yes  No

(If yes, describe on Schedule F the partnerships and what they invest in.)

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**9. Participation or Interest in Client Transactions.**

Applicant or a related person: (check those that apply)

- A. As principal, buys securities for itself from or sells securities it owns to any client.
- B. As broker or agent effects securities transactions for compensation for any client.
- C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

**10. Conditions for Managing Accounts.**

Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account? .....  Yes  No

(If yes, describe on Schedule F.)

**11. Review of Accounts.**

If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

**REVIEWS:** Managed accounts are reviewed daily. Financial plans for ongoing asset management accounts are reviewed when necessary. Accounts at other money managers are reviewed when the applicant receives their statement - usually quarterly and the client makes them available.

**REVIEWERS:** The applicant's president or vice-president review all accounts. They do so on a portfolio analysis basis.

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

**The applicant prepares quarterly performance statements for accounts under his discretion. Clients also receive statements from broker/dealers, mutual funds and other money managers, as appropriate.**

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**12. Investment or Brokerage Discretion.**

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

- |  |                                     |                                     |
|--|-------------------------------------|-------------------------------------|
| (1) securities to be bought or sold? .....               | Yes                                 | No                                  |
|  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| (2) amount of the securities to be bought or sold? ..... | Yes                                 | No                                  |
|  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| (3) broker or dealer to be used? .....                   | Yes                                 | No                                  |
|  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (4) commission rates paid? .....                         | Yes                                 | No                                  |
|  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |

B. Does applicant or a related person suggest brokers to clients? ..... Yes No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

**13. Additional Compensation.**

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- |   |                          |                                     |
|---|--------------------------|-------------------------------------|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? ..... | Yes                      | No                                  |
|   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? .....  | Yes                      | No                                  |
|   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

(For each yes, describe the arrangements on Schedule F.)

**14. Balance Sheet.** Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange Commission); or
  - requires prepayment of more than \$500 in fees per client and 6 or more months in advance
- Has applicant provided a Schedule G balance sheet? ..... Yes No

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Berkeley, Inc.</b>	IRS Empl. Ident. No.: <b>82-0495475</b>
Item of Form (identify)	Answer
Part II, No. 1-A	<p>Berkeley, Inc. charges fees for financial planning and investment advice. Client accounts are assessed fees based on a percentage of the assets under management (also know as asset management). The annual fee is currently a minimum of \$2,500 annually and otherwise is 0.9% for asset up to \$500,000, 0.75% from \$500,000 - \$1,000,000, 0.6% from \$1-\$2 million, and 0.45% above \$2 million. Different payment arrangements may have been made for clients who worked with Berkeley, Inc. previous to this application and other arrangements may be made with other clients. The annual fee is paid in advance quarterly, at the end of each quarter. The hourly fee is up to \$200 and is paid after consultations. Financial planning fees range from \$1,000 to \$8,000. The fee is based on the estimated time and complexity of the financial planning and is also paid upon completion of the work.</p>
Part II, No.1-D	<p>The investment advisory agreement with Berkeley Inc. can be terminated upon written notice by either party. Fees paid in advance will be refunded on a prorated basis.</p>
Part II, No. 6	<p>Ling, Michael James: 1959; BA in Economics, UC Berkeley; Certified Financial Planner Licensee; since 1996 he has been the president of Berkeley, Inc.</p> <p>White, P. Stephen: 1962; BBA in Finance, U of Georgia, MBA Harvard Business School; Chartered Financial Analyst; since 2003 he has been a partner with Berkeley Inc.</p> <p>Hendrickson, J Christopher:1968; BS Marketing, Montana State University; Certified Financial Planner Licensee; since 2004 he has work with Berkeley Inc.; for 9 years prior to working with Berkeley Inc. he worked with TD Waterhouse as an investment consultant.</p> <p>Hakes, Paul: 1966; BA in Political Science, University of Utah; for the past 10 years he worked as a residential finance analyst for Cherry Creek Mortgage Company and two other mortgage banks in Denver, Colorado; 5 years prior he worked for the Certified Financial Planner Board of Standards, Inc. in Denver as the Manager of International Development for the CFP and Certified Financial Planner Designation.</p>
Part II, No. 7	<p>In addition to investment advisory services and advice, Berkeley, Inc. offers financial planning services. These services include advice in the areas of: insurance, general tax planning, retirement planning, education planning, cash flow management, and developing estate planning strategies. Approximately 40% of the company's time is spent working in these areas.</p>
Part II, No. 8-C (1)	<p>The firm has relationships with several broker/dealers. This relationship is not financial. The firm does not compensate the broker/dealers nor do the broker/dealers compensate the firm. Recommendations are made solely on the client's circumstances.</p>
Part II, No. 8-C (3)	<p>The principals and employees (excluding the office administrator) of the firm are compensated with a combination of base salary and incentives. The incentives are directly linked to the amount of new revenue generated by new client relationships that the principals or employees</p>

Complete amended pages in full, circle amended items and file with execution page (page 1).

**PAGE 1**

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Berkeley, Inc.</b>		IRS Empl. Ident. No.: <b>82-0495475</b>
Item of Form (identify)	Answer	
Part II, No. 9-E	<p>acquire.</p> <p>In selecting brokers and dealers to execute clients' portfolio transactions, Berkeley considers such factors as the price of the security, the rate of commission, the size and difficulty of the order, the reliability, integrity, financial condition, general execution and operational capabilities of competing brokers and dealers, and brokerage and research services provided by them. It is not the policy of Berkeley to seek the lowest available commission rate where it is believed that a broker or dealer charging a higher commission rate would offer greater reliability or provide better price or execution. Stephen White is responsible for reviewing the Best Execution Policy annually.</p> <p>On occasion, the applicant's vice-president may buy or sell securities that he recommends to clients. There is no conflict of interest as the securities are widely-held and publicly traded. Furthermore, client trades are always executed prior to any personal trading and accurate records of personal trades are maintained by Berkeley, Inc. to ensure strict compliance with internal policies and procedures.</p> <p>Berkeley, Inc. has a Code of Ethics that's available upon request.</p>	
Part II, No. 10	<p>Berkeley, Inc. does not require a minimum dollar value of assets, but as explained on Page 1 of Schedule F (Part II, No. 1-A), minimum annual fees are imposed on asset management accounts.</p>	
Part II, No. 12-A (1)& (2)	<p>Berkeley, Inc. manages client accounts on a discretionary basis. Discretionary authority is limited by prohibiting the withdrawal of funds and/or securities from client accounts. In addition, transactions are limited to general securities, mutual funds and government securities. Berkeley, Inc. directly withdraws most of their asset management fees. Clients receive an invoice whenever this occurs.</p> <p>Proxy voting on behalf of clients is done when requested by the client. A record of Berkeley, Inc.'s proxy voting is available upon request.</p>	
Part II, No. 12-B	<p>Clients wishing to implement the applicant's advice are free to select any broker they wish and are so informed. Those wishing for the applicant to recommend a broker will get a recommendation based on the broker's costs, skills, reputation, dependability, and compatibility with the client, and not upon a financial arrangement between the applicant and the recommended broker.</p>	