

Is an Investment Advisory Relationship Right for You?

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

Before making a decision, we want you to better understand the differences between the two primary relationships: investment advisory and brokerage. We are an investment adviser, providing advisory services and financial planning, rather than brokerage accounts and services.

Relationships and Services
If you retain us for investment management, you will pay an on-going asset-based fee at the end of each quarter for our services, based on the value of the cash and investments in your advisory account. Our ongoing asset-based fee schedule is listed at https://www.berkeleyinc.com/fags.html#fees
We offer advice on a regular basis whereby we will discuss your investment goals, design with you a strategy to achieve your investment goals, and regularly monitor your account. This usually includes a review of your financial planning goals. To us, the better we identify and monitor your progress the more likely we can help you achieve those goals. We will contact you (by phone or e-mail) at least quarterly 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").
While our list of investments used is extensive (we can access nearly all publicly listed stocks, bonds and other instruments) other firms may have access to investments that we do not. When investments are used for our clients, we always try to obtain the lowest share price and minimize your trading fees.
Financial planning provides a foundation for our recommendations. You can hire us to build a financial plan. Our normal fee for this is usually between \$2,000 and \$5,000 and is dependent on the complexity of your situation. Subsequent to our planning services, if you decide to use our ongoing investment management services, we include full ongoing planning services as part of the asset-based management fee. In other words, you will not be charged a separate fee for financial planning if you are an ongoing investment management client.
Our Obligations to You. <i>We must abide by certain laws and regulations in our interactions with you.</i>
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 ongoing 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. While we do not sell any products or pay fees for referrals, we are usually compensated by the amount of money we manage for clients. A possible conflict of interest could exist if, for example, our recommendation involves moving money from an account that we manage into an outside account or for the paydown of debt.
Fees and Costs. <i>Fees and costs affect the value of your account over time. Please ask your financial professional to give you personalized information on the fees and costs that you will pay.</i>
The amount paid to our firm or your advisor does not vary based on the type of investments we select on your behalf. The asset-based fee reduces the value of your account as it will be deducted from your account.

Some investments (such as mutual funds and variable annuities) impose additional fees that reduce the value of your investment over time. If we recommend any investments or insurance products with fees it will not directly influence our recommendations. We do not receive any compensation from any insurance or investment company. You, the client, are the only source of our compensation.

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.

Occasionally, you will pay a transaction fee when we buy and sell an investment for you. You may also pay fees to a broker-dealer or bank that will hold your assets (called "custody").

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 we do not buy or sell in your account(s).

Compare with Typical Brokerage Accounts

You could also open a brokerage account with a **broker-dealer**, where you will pay a **transaction-based fee**, generally referred to as a commission, when the broker-dealer buys or sells an investment for you. Features of a typical brokerage account include:

- With a broker-dealer, you may select investments, or the broker-dealer may recommend investments for your account, but the ultimate decision for your investment strategy and the purchase and sale of investments will be yours.
- A broker-dealer must act in your best interest and not place its interests ahead of yours when the broker-dealer recommends an investment or an investment strategy involving securities. When a broker-dealer provides any service to you, the broker-dealer must treat you fairly and comply with a number of specific obligations. Unless you and the broker-dealer agree otherwise, the broker-dealer is not required to monitor your portfolio or investments on an ongoing basis.
- If you were to pay a transaction-based fee in a brokerage account, the more trades in your account, the more fees the broker-dealer charges you. So, it has an incentive to encourage you to trade often.
- You can receive advice in either type of account, but you may prefer paying a **transaction-based fee** from a cost perspective, if you do not trade often or if you plan to buy and hold investments for longer periods of time. Or you may prefer **an asset-based fee** if you want continued advice or someone to make investment decisions for you.

Conflicts of Interest. *We benefit from the advisory services we provide to you by charging you a flat fee for financial planning or asset-based fees.*

- We do not have any legal and disciplinary events. For verification, visit www.investor.gov for a free and simple search tool to research our firm and our financial professionals.
- For additional information on our advisory services, see our Form ADV brochure on IAPD on Investor.gov or on our website www.berkeleyinc.com
- To report a problem to the SEC, visit www.investor.gov or call the SEC's toll-free investor assistance line at (800) 732-0330. If you have a problem with your investments, account or financial professional, contact us in writing at 3778 Plantation River Drive, Suite 102, Boise Idaho 83703.