

Berkshire

DIVIDEND STRATEGY

“Eight Common Threads”
Elite Advisor Performance and Berkshire Advisory Model

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Berkshire Dividend Growth Strategy

“Eight Common Threads” Agenda



What we hope to deliver...

- We understand your world, your challenges
- Our solution is geared to meet those challenges
- “Eight Common Threads” exist between Elite Advisors and Berkshire’s Dividend Strategy

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Berkshire Dividend Growth Strategy

“Current Advisory/Investment Management Realities



- Tricky markets
- Difficulty generating sufficient retirement income
- Fee compression, low cost alternatives and Robo offerings
- Complexity of products, product overload and complicated tax laws
- Increasing client demands
- Continued change in regulation
- Time demands: 78% of advisors cite new business as a top priority...but guess how much time is spent on compliance and admin?

Does all of this mean, change in advisor job description?

Berkshire Dividend Growth Strategy

What We Heard Advisors Say This Past Year...



- “It’s just not fun anymore.”
- “I lost track of what got me excited about this business in the first place.
- “I come in everyday with a plan. Then I wonder where the day went. Then 265 working days later I wonder where the year went.”

Berkshire Dividend Growth Strategy

What We Heard Advisors Say This Past Year...



Our industry will continue to see significant change in the upcoming years...

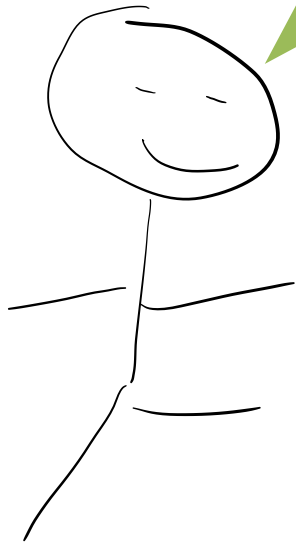
- \$30 Trillion – Estimated wealth transfer over the upcoming decades
- Transitional wealth – Roughly 85% of children fire their parent's advisor
- 28% of advisors are currently considering retirement or changing careers
- For every eight advisors that retire, only three are being trained to replace them

These changes will create considerable opportunity for those who are prepared...

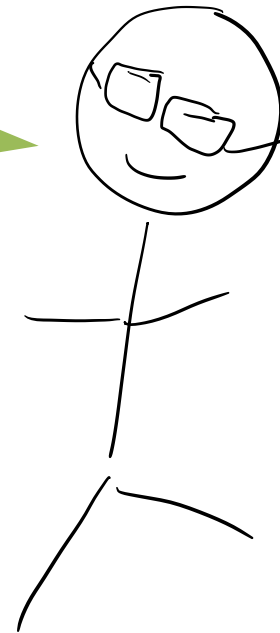
Berkshire Dividend Growth Strategy Time To Rethink Value Propositions?



My firm offers great investment strategies and I offer a financial plan for all my clients!



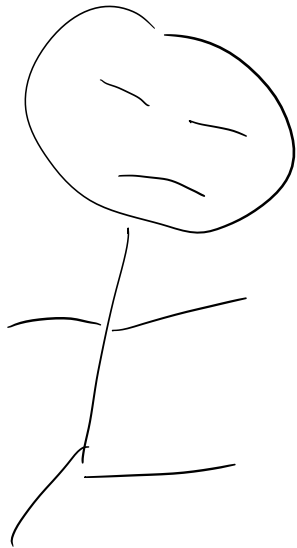
Check out how great our fund has performed!
Here are some golf balls!



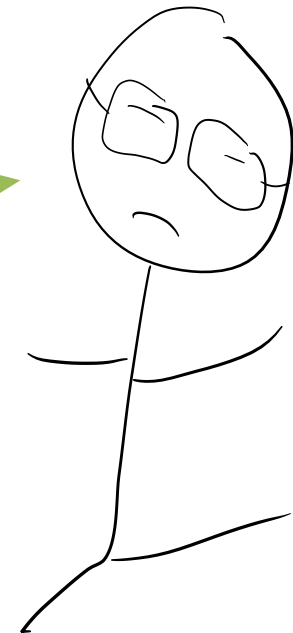
Berkshire Dividend Growth Strategy Time To Rethink Value Propositions?



If you didn't have good performance you probably wouldn't be on our platform.



Don't all advisors say they provide financial planning and great investment strategies?



Berkshire Dividend Growth Strategy

Elite Advisors & Berkshire – Common Threads



“Viability”

Tangible proof points well beyond minimum standards

ELITE ADVISOR APPLICATION

- Expert knowledge where deficiency exists
- Advisor's competitive edge?
- Advisor Alpha

BERKSHIRE APPLICATION

- Focused, galvanized investment organization
- Our investment edge?
- Investment Alpha

“Brand”

How are you known in the marketplace?

ELITE ADVISOR APPLICATION

- John is the advisor who _____
- Value added with proven examples...

BERKSHIRE APPLICATION

“Forward Looking” process with commitment to helping advisors win business

Berkshire Dividend Growth Strategy

Elite Advisors & Berkshire – Common Threads



“Forward Looking”

Beyond rules based investing

ELITE ADVISOR APPLICATION

- “Sort and rank” leads to performance chasing
- Match client objectives, market expectations and portfolio holdings

BERKSHIRE APPLICATION

- Historical screens limit opportunity set
- Discover future perennial dividend growers
- Best ideas may flunk “backward” looking screens

“Let Assets Do the Work”

Harness the power of compounding

ELITE ADVISOR APPLICATION

- Dividend growth as a productivity tool
- Compounding annuity for your business

BERKSHIRE APPLICATION

- Enduring Dividend Growth
- “Stewardship” over “Salesmanship”

Berkshire Dividend Growth Strategy

Elite Advisors & Berkshire – Common Threads



“Standardize”

Disciplined, repeatable practices enhancing business efficiency

ELITE ADVISOR APPLICATION

- Are you a “Business” or collection of “Sales”
- Process over sales, i.e. UMA

BERKSHIRE APPLICATION

- Pick stocks, communicate great ideas to advisors
- Embracing technology, i.e. UMA

“Maximize AUM?”

...or something else

ELITE ADVISOR APPLICATION

- Does your practice run you?
- Longevity, stability and efficiency

BERKSHIRE APPLICATION

- Not on every platform
- Cash flow duration, culture, “partnerships”

Berkshire Dividend Growth Strategy

Elite Advisors & Berkshire – Common Threads



“Beyond Performance”

Trusted Advisors

ELITE ADVISOR APPLICATION

- Judged quarterly by clients...or something more?
- “Build a wall” around relationships

BERKSHIRE APPLICATION

- “Practice initiatives” over product
- Trusted advisor to the advisor

“School Always in Session”

Commitment to life long learning

ELITE ADVISOR APPLICATION

- Study industry and adapt
- Go backward to go forward

BERKSHIRE APPLICATION

- On-going evaluation of companies, process
- “Dividends are our way of life”

Berkshire Dividend Growth Strategy

Elite Advisors & Berkshire – Common Threads



Old Model

- Assets rise and fall with markets, transactional
- Under assault from low cost options?

New Model

- Assets grow from value added partnership between client/advisor manager
- Poised to capture enormous wealth transfer

Berkshire Dividend Growth Strategy

Key Takeaways



- Berkshire: a carefully growing investment firm highly focused on large cap investing
- Distribution & marketing: Portfolio Managers communicate directly with quality advisors to help them leverage time and opportunity in dividend growth equities
- Portfolio goal: quality, enduring dividend growth
- Process distinction: forward looking vs. backward looking
- Berkshire's goal: attain trusted partner in an important asset class in order to help achieve client goals and objectives
- Visit: Berkmgt.com

Berkshire Dividend Growth Strategy Disclosure Information



Berkshire Asset Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®). Berkshire Asset Management is a fee-based, SEC registered advisory firm serving the portfolio management needs of institutional and high-net worth clients. Registration with the SEC or any state securities authority does not imply a certain level of skill or training. The Dividend Growth Composite contains portfolios invested in Berkshire's Dividend Growth Strategy with an equity allocation target of 90% - 100%. The Dividend Growth Strategy's primary objective is to generate a growing stream of equity income by investing in a diversified portfolio of equities with stable, high, and growing dividends. The benchmark is the S&P 500 Index. The index returns are provided to represent the investment environment existing during the time periods shown. For comparison purposes, the index is fully invested, does not include any trading costs, management fees, or other costs, and the reinvestment of dividends and other distributions is assumed. An investor cannot invest directly in an index. Gross returns are presented before management and other fees but after all trading expenses. Net returns are calculated by deducting actual management fees from gross returns. Returns reflect the reinvestment of dividends and other earnings. Valuations are computed and performance is reported in U.S. dollars. To receive a complete list of composite descriptions and/or a compliant presentation, contact Jason Reilly, CFP® Tel: 570-825-2600 or info@berkshiream.com. Past performance does not guarantee future results. Platform restrictions may apply. Individual accounts vary.

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