



Berkshire

DIVIDEND STRATEGY

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Berkshire Institutional Introduction

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Berkshire Asset Management, LLC (“Berkshire”) is located in Wilkes-Barre, PA. Berkshire Asset Management, Inc., (“Berkshire, Inc.”) was formed in 1986 as a registered investment advisor focused on US equity management for institutional, corporate and high net worth individuals.

Throughout the 1990’s, the firm grew in assets and reputation. By implementing a well-crafted investment philosophy, and providing quality service, the firm attracted attention as a boutique investment firm. In 1999, Berkshire, Inc. was sold to Legg Mason.

Seeking to once again have full control and autonomy over its strategic direction, senior leadership group repurchased the firm in 2007, forming Berkshire. Berkshire is once again 100% employee owned and operated. The current investment team has worked cohesively since the mid-1990s, and the firm has experienced extremely low professional turnover throughout its entire history.

Current business fundamentals are the strongest in our history

- Ownership: 100% employee owned with more than a 30 - year operating history*
- Extremely low professional turnover
- Controlled, measured growth
- Low overhead cost structure enhancing the long-term stability of the firm

Our investment principles remain consistent and focused

- Deliver quality investment results
- Narrow focus on large cap dividend investing
- Enduring dividend growth to meet client goals and objectives
- “Forward looking” fundamental process vs. backward looking screening

Our service model provides distinguished support

- Maintain premier boutique status to quality advisors and platforms
- Direct communication with portfolio managers to enhance advisor support
- Customized portfolio management

While preserving firm culture and maintaining top tier performance track record in the equity income space are primary goals, leadership at Berkshire will work hard to be a reliable, timely and trusted partner to everyone who helps deliver our solution to advisors. Our business has a long history of investment, marketing and operational excellence as we deliver our strategy to large scale investment firms.

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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. 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.

Definitions: The S & P 500 Index is a market capitalization weighted index of the largest 500 U.S. stocks. It is a market-value weighted index (stock price times # of shares outstanding), with each stock's weight in the index proportionate to its market value. The index is designed to measure changes in the economy and is representative of most major industries. Russell 1000 Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. The index was developed with a base value of 200 as of August 31, 1992. Russell 1000 Value Index measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. The index was developed with a base value of 200 as of August 31, 1992. You cannot invest directly in an index. BEst (Bloomberg Estimates) Earnings Per Share (EPS Adjusted) estimate returns Earnings Per Share from Continuing Operations, which may exclude the effects of one-time and extraordinary gains/losses. Beta is a measure of volatility vs. an index. Upside/Downside capture ratios refer to a portfolios performance as a percentage of either positive returns (upside) or negative returns (downside) vs. an index. Standard Deviation is a measure of total risk. Alpha, Beta and capture ratios are represented as calculated by Morningstar.

Risks: Past performance does not guarantee future results. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for an individual's investment portfolio. Dividends are subject to change, are not guaranteed, and may be cut. Investing based on dividends alone may not be favorable as it does not include all material risks. There is no guarantee any stated (or implied) portfolio or performance objective mentioned by Berkshire can be met. Berkshire's equity style may focus its investments in certain sectors or industries, thereby increasing potential volatility relative to other strategies or indices. The dividend strategy may include bundled services also known as a "wrap fee program". Because there is typically a low turnover in the strategy, this may be more costly for some investors. No one should assume that any information presented serves as the receipt of, or a substitute for, personalized individual advice from a qualified advisor or any other investment professional.

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