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This Brochure provides information about the qualifications and business practices of Berger Financial Group. If you have any questions about the contents of this brochure, please contact us at 763-746-2666 or [info@bergerfinancial.com](mailto:info@bergerfinancial.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Registration with the SEC does not imply a certain level of skill or training.

Additional information about Berger Financial Group is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2: Material Changes

Since the 120-day SEC registration filing of the Firm's brochure dated September 2020, the following changes have been made to this Brochure:

- Item 4 was updated to include the addition of Independent Financial Company as a subsidiary of Berger Financial.
- Item 12 was updated to remove Fidelity as a custodian and additional disclosure was added related to mutual fund share classes.

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#### **Item 4: Advisory Business**

Berger Financial Group, Inc. (“Berger Financial” or “Adviser” or “Firm”) established in 1996, provides financial and retirement planning, wealth management, income tax planning, succession planning and robo-based investment solutions to individuals, high net worth individuals and families, trusts, estates, businesses, and retirement plans.

Berger Financial Group, Inc. is principally owned by the Berger Financial Group Employee Stock Ownership Plan Trust in addition to certain employees having minority ownership in the Adviser. Bell Wealth Management and Independent Financial Company are wholly owned subsidiaries of Berger Financial Group, Inc. and provides portfolio management and financial and retirement planning services which are substantially similar to those services offered by Berger Financial and described herein.

As a registered investment adviser subject to Section 206 of the Advisers Act, Berger Financial acts as a Fiduciary related to the conduct of its investment advisory services. As such Berger Financial has an obligation to act in the best interest of its Clients guided by the core fiduciary duties of loyalty and care.

#### **Wealth Management**

Berger Financial provides discretionary wealth management services to a broad range of Clients. Wealth management services primarily include investing Client assets in proprietary investment strategies advised by the Adviser. Berger Financial determines the investment objectives and risk tolerance for each wealth management Client during the account opening process and reassesses periodically thereafter. Once the Client’s risk tolerance, time horizon and investment objective are established, Berger Financial will recommend a proprietary investment strategy/ies or individually design a portfolio of investments which include one or a combination of stocks, bonds, mutual funds, ETFs, options, allocation models, and other securities and/or contracts relating to the same, including investing assets in short-term money-market instruments.

We encourage Clients to inform us in the event of any significant life changes, such as setting a retirement date, having a child, etc., so that we can perform an assessment to determine the proper investment strategy from that point forward. Typically, we review accounts internally and no less than annually with our Clients, which should be sufficient given our long-term strategic approach to money management. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to the acceptance by the Adviser.

Berger Financial’s investment strategies are primarily long-term focused, but the Adviser may buy, sell or re-allocate positions that have been held less than one year to meet the objectives of a particular strategy or due to market conditions.

### **Financial Planning**

Berger Financial offers comprehensive financial planning services to Clients which include time horizon, net worth, cash flow analysis, college cost and savings estimates, estate tax strategies, wealth distribution and plan implementation services. Financial planning services are provided through the wealth management agreement or through a separate agreement. Implementation of the recommendations of the financial plan are typically executed at the discretion of the Client.

### **Retirement and Estate Planning**

Retirement planning analyses includes hypothetical wealth accumulation that compares lifetime income needs to portfolio resources, together with an assessment of the probability of achieving the desired financial outcome based on those resources. Estate planning analyses may include an assessment of estate tax estimates, survivor income projections, long-term care coverage and estate planning strategies for consideration. A financial plan may include product analysis, such as an analysis of equity, fixed income, mutual funds and other financial products.

### **Retirement Plan Consulting**

Berger Financial provides retirement plan consulting based on a negotiated scope of services, such as consulting with retirement plan administrators, other fiduciaries to retirement plans, plan participants and other parties. Berger Financial will not actually manage plan assets. Depending on the negotiated scope of services, Berger Financial may participate in enrollment meetings, provide supplemental educational materials to the plan or plan participants, conduct education and provide investment materials for participant-directed plans, search and evaluate investment alternatives for the plan, review past performance of the plan's current investment options, provide one-time, ongoing or periodic performance monitoring reports for the plan's current investment options. Services provided to plan participants may be provided at a group level, or to individual plan participants. Unless otherwise specified in the agreement between Berger Financial and the plan, any education and investment materials provided are intended to constitute "education" and not individualized "investment advice."

### **Robo Investment Management**

Berger Financial offers a robo advisory platform. The platform provides for online enrollment and does not include annual face-to-face meetings with investment adviser representatives of the Adviser. Berger Financial creates and advises the allocation models offered to Clients on the robo advisory platform. In addition, Berger Financial asks enrollees in the platform if they want to impose specific restrictions on investing in certain securities or types of securities and are reminded to notify the Adviser of any new restrictions on a quarterly basis. However, because the robo advisory platform is managed entirely through investment allocation models, those Clients who request such restrictions are required to transfer their account to Berger Financial's wealth management platform, which will allow for that type of customization but will usually result in higher advisory fees.

### **Income Tax Planning**

Certain associated persons of the Adviser are Certified Public Accountants (“CPAs”) and provide a full range of income tax preparation and planning for individuals, businesses, trusts and estates for the Adviser’s financial planning Clients. Income tax planning involves using strategies to minimize your taxable income including, but not limited to, postponing income, shifting income, deduction planning, investment tax planning, and utilizing year-end tax planning. Our CPAs also assist Clients in preparing their federal and state income tax returns. This service is separate and distinct from the Adviser’s investment management and financial planning services.

### **Rollover to IRA**

Investors considering rolling over assets from a qualified employer-sponsored retirement plan (“Employer Plan”) to an Individual Retirement Account (“IRA”) should review and consider the advantages and disadvantages of an IRA rollover from their Employer Plan. A plan participant leaving an employer typically has four options (and may engage in a combination of these options):

- 1) Leave the money in the former employer’s plan, if permitted;
- 2) Rollover the assets to a new employer’s plan (if available and rollovers are permitted);
- 3) Rollover Employer Plan assets to an IRA; or
- 4) Cash out the Employer Plan assets and pay the required taxes on the distribution.

At a minimum, Investors should consider fees and expenses, investment options, services, penalty-free withdrawals, protection from creditors and legal judgments, required minimum distributions, and employer stock. Berger Financial encourages you to discuss your options and review the above listed considerations with an accountant, third-party administrator, investment adviser to your Employer Plan (if available), or legal counsel, to the extent you consider necessary.

By recommending that you rollover your Employer Plan assets to an IRA, Berger Financial and your financial adviser earn fees as a result. In contrast, leaving assets in your Employer Plan or rolling the assets to a plan sponsored by your new employer likely results in little or no compensation to Berger Financial. Berger Financial has an economic incentive to encourage investors to rollover Employer Plan assets into an IRA managed by Berger Financial. Investors face increased fees when they move retirement assets from an Employer Plan to a Rollover IRA account. Even if there are no costs associated with the IRA rollover itself, there will be costs associated with account administration, investment management, or both. In addition to the fees charged by Berger Financial, the underlying investment (mutual fund, ETF, annuity, or other investment) charges a management fee and expenses. Custodial and trading fees also apply. Investing in an IRA with Berger Financial will typically be more expensive than an Employer Plan.

Additional resources about IRA Rollovers are available to investors through FINRA’s web site at [www.finra.org](http://www.finra.org).

### **Regulatory Assets Under Management**

As of December 31, 2020, discretionary regulatory assets under management were approximately \$1,045,288,367.

### **Item 5: Fees and Compensation**

**Assets Under Management (AUM) Fees:** Berger Financial is compensated based on a fee which is calculated based on the value of their Client's assets under management on the last day of the previous month or quarter. Berger Financial negotiates fees with Clients on a case-by-case basis which are determined based on the nature of the services being provided and the complexity of each Client's circumstances. Clients are billed in advance or arrears on a monthly or quarterly basis and fees can be pro-rated. Clients are charged the fee set forth in the applicable Client agreement which range from .25% to 2.25% annually.

**Financial Planning:** Berger is compensated for financial counseling, tax preparation and planning and advisory services either by negotiated fixed fees or hourly charges. In either case the services and fees are specified in an agreement between the Client and Berger. Berger negotiates terms of advisory agreements with Clients on a case-by-case basis. Fees are determined based on the nature of the services being provided and the complexity of each Client's circumstances. Fees are paid in advance or arrears on a monthly or quarterly basis as indicated in the financial planning agreement.

Clients select to deduct fees from Client accounts or pay fees directly. Berger Financial has the right to charge fees to Clients that are more or less than those outlined above and which may be payable on different terms. An advisory agreement may be canceled at any time, by either party, for any reason upon receipt of written notice. Upon termination any prepaid, unearned fees will be refunded as pro-rated based on the time and effort expended by Berger Financial prior to termination.

**Other Adviser Fees:** All fees paid to Berger Financial for investment advisory services are separate and distinct from the fees and expenses that may be charged by mutual funds and/or ETFs. These fees and expenses are described in the prospectus and generally include a management fee and other fund expenses. Accordingly, the Client should review both the fees charged by funds and/or ETFs held within their account and our fees to fully understand the total amount of fees to be paid and to thereby evaluate the services being provided.

In addition, mutual funds and custodians can restrict, impose redemption fees, short term transaction fees or refuse to accept trades placed by Berger Financial if investments are owned for a period of time (i.e. held less than 30-90 days depending on the custodian) or for any other reason. We must comply with any such refusals, fees or restrictions. You are responsible for any charges, commissions, expenses or fees imposed by mutual funds, custodians or ETFs as a result of the implementation of any of our investment strategies.

**Share Class Selection:** When recommending investments in mutual funds, it is the Adviser's policy to review and consider available share classes. Selection of investment options in the investment strategies are based upon the investment options on the custodial platform which include no transaction fee mutual funds which are placed without broker commission. These no transaction fee mutual funds can incur short term transaction fees if held for less than 30-90 days, depending on the custodial agreement. Custodians also receive fees paid by mutual funds such as administrative, record-keeping and/or shareholder services fees; as well as 12b-1 distribution fees, where applicable, as authorized by rule 12b-1 under the Investment Company Act of 1940. Custodians holding client assets are not affiliated with Berger Financial. Therefore, the Firm is not aware of the exact fees being retained by each custodian. The Adviser's policy for the selection of mutual funds and the appropriate share class is based on various factors including, but not limited to, minimum investment requirements, trade restrictions, performance, Morningstar rankings, expense ratio and other factors. Because of these factors, mutual funds selected are not always the 'lowest cost' share class. Clients may be able to obtain lower cost share classes than those selected by the Adviser. Not all share classes are available to a particular Client or custodian. Therefore, the Client will not always have access to the lowest cost share class.

Berger Financial, no less than annually, reviews the mutual funds held in Client accounts to select the most appropriate share classes in light of its duty to obtain best execution.

Client assets invested in mutual funds should be aware that there will be two layers of advisory fees and expenses for those assets. As a shareholder of a fund, Client will pay an advisory fee to the fund manager and other expenses charged by the fund in addition to the advisory fee paid to Berger Financial. For additional information related to mutual fund fees and expenses, please refer to the individual fund prospectus.

**Custodian fees:** In addition to our advisory fees, Clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, transaction charges, administrative service fees for proprietary products utilized in certain portfolios and, as noted above, administrative, record-keeping, shareholder services and/or 12b-1 fees. Please refer to "Brokerage Practices" section (Item 12) for additional information.

## **Item 6: Performance-Based Fees and Side-By-Side Management**

Berger Financial does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a Client).

## **Item 7: Types of Clients**

As noted in Item 4, Berger Financial provides comprehensive financial and retirement planning, portfolio wealth management, income tax services and planning, succession planning and robo-based investment management solutions to individuals, high net worth individuals and families,

trusts, estates, businesses and business owners, corporate executive and retirement plans. Berger Financial does not require an account minimum to engage our services.

## **Item 8: Methods of Analysis, Investment Strategies and Risk of Loss**

**Investment Strategy and Methods of Analysis:** Berger Financial recommends proprietary investment strategies to Clients. The foundation of our recommendation of a particular investment strategy or strategies to a Client are discussions to determine their goals, the timeline available to attain these goals, their current assets, anticipated future assets, and risk tolerance. Our recommendations take into account our Client's often unique investment opportunities available through their employee benefits. The incorporation of financial, income tax and estate tax planning, among other factors, in our investment recommendations are tailored to our Client's individual situation.

Berger Financial's Investment Committee primarily employs fundamental analysis in developing investment strategies for its Clients. Research and analysis are derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and review of company activities, including annual reports, prospectuses, press releases and research prepared by others.

Fundamental analysis utilizes economic and business indicators as investment selection criteria. These criteria are generally ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included in Item 13 - Review of Accounts.

Berger Financial employs strategic and tactical investment management based on the investment objective of each strategy. The Investment Committee is responsible for the ongoing review of the investment strategies to ensure the stated investment objective is applied.

**Risks:** All investments include a risk of loss of your principal (invested amount) and any profits that have not been realized. In addition, the performance of any investment strategy is not guaranteed. There are certain additional risks associated with investing in securities through the Adviser's investment strategies, as described below:

- **Non-Diversification Risk** – Because some of our investment strategies are non-diversified as compared to other diversified portfolios, the strategy may invest a greater percentage of its assets in a more limited number of securities. The strategy therefore can be more susceptible to adverse changes in the value of a particular security than if the strategy

were more diversified. Thus, the strategy may be more volatile because each security in which it invests will have greater impact on the performance.

- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- Company Risk – When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- Fixed Income Risk – When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- Interest Rate Risk – Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- Options Risk – Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs unless a no-transaction fee ETF is available.
- Management Risk – A Client's investment with the Adviser varies with the success and failure of the investment strategies, research, analysis and determination of portfolio securities. If the investment strategies do not produce the expected returns, the value of the investment will decrease.
- Foreign Securities Risk - Investment in foreign securities involves risks that differ from those of U.S. securities. Some foreign securities aren't subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those in the U.S. Foreign securities are subject to the risk of adverse changes in investment or exchange control regulations, expropriation or confiscatory taxation, limitations on the

removal of money or other assets, political or social instability, and nationalization of companies or industries. An additional risk is that overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country.

### **Item 9: Disciplinary Information**

Berger Financial has no legal or disciplinary events to report that would impact the evaluation by a Client (or potential Client) of Berger Financial's advisory business or the integrity of our management.

### **Item 10: Other Financial Industry Activities and Affiliations**

#### **Certified Public Accountant Affiliation**

Certain employees of Berger Financial are Certified Public Accountants (CPAs). The CPAs provide tax planning and preparation to Clients of the Adviser. Fees paid for these services are in addition to Advisory fees charged by Berger Financial. Clients are under no obligation to engage our CPAs for tax planning and/or preparation services.

#### **Insurance Agency Affiliations**

Certain financial professionals are also a licensed insurance professional. Implementations of insurance recommendations are separate and apart from one's role with Berger Financial. Commissions and other related revenues from the various insurance companies whose products are sold are received by the insurance professional. The insurance professional ensures that the implementation of recommendations to the Client is done in the best interest of the Client. The insurance professionals are not required to offer the products of any particular insurance company. Commissions generated by insurance sales do not offset advisory fees. This causes a conflict of interest in recommending products of certain insurance companies. Clients always have the right to choose whether to implement any recommendations made with any insurance professional.

#### **Broker-Dealer Affiliation**

Certain employees of Berger Financial are registered representatives ("Registered Reps") of PKS Investments. PKS Investments is a broker-dealer and financial services Adviser that is independently owned and operated and is not affiliated with Berger Financial. Registered Reps, in their separate capacity, can affect securities transactions for which they receive separate, yet customary compensation. There are circumstances where Registered Reps recommend brokerage services or products to Clients. When Clients purchase brokerage services or products through a Registered Rep who is an employee of Berger Financial the employee will earn compensation from PKS Investments. This practice presents a conflict of interest and gives Registered Reps an incentive to recommend brokerage services and products based on the compensation received, rather than on the needs of the Client. Clients have the option to purchase brokerage services and products through other brokers or agents that are not affiliated with Berger Financial. While Berger Financial and the Registered Reps endeavor at all times to put the interest of the Clients

first as part of our fiduciary duty, Clients should be aware that the receipt of additional compensation itself creates a conflict of interest when making recommendations. Berger Financial addresses this conflict by disclosing to Clients when they are acting as a registered representative and the brokerage commissions and other fees that the Client will incur for such services and/or investments. Client will receive notification of brokerage charges from PKS Investments.

### **Item 11: Code of Ethics**

Berger Financial has adopted a Code of Ethics for all supervised persons of the Adviser describing its high standards of business conduct and fiduciary duty to its Clients. The Code includes provisions relating to the confidentiality of Client information, a prohibition on insider trading and personal securities account and transaction reporting. All supervised persons must acknowledge the terms of the Code of Ethics initially upon hire as well as annually, or as amended.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with making decisions in the best interest of advisory Clients.

Employees are permitted to maintain personal securities accounts provided any personal investing by an employee in any accounts in which the employee has a beneficial interest is consistent with the Adviser's personal trading guidelines and applicable regulatory requirements. Employees of the Adviser buy or sell for their personal accounts the same securities as those recommended to or owned by our Clients. All reportable transactions are reported to the Compliance Officer in accordance with the reporting requirements outlined in the Code of Ethics and personal trading is periodically monitored in order to reasonably prevent conflicts of interest between Berger Financial and its Clients.

Berger Financial will provide a copy of our Code of Ethics to any Client or prospective Client upon request.

### **Item 12: Brokerage Practices**

Berger Financial believes that, as an industry best practice of separation of duties, the custody of client assets should be separated from the management of client assets. Berger Financial generally recommends that client hold their assets with the following unaffiliated custodian, Charles Schwab. The Advisory Representatives of the Adviser are not registered representatives of this custodial/brokerage firms. Berger Financial will recommend which custodian to use based on custodian transaction costs, as well as the best mix of quality, timeliness of execution and administrative service support. Custodians make available other products and services that benefit Berger Financial that does not directly benefit our Clients. These products and services assist us in managing and administering Client accounts. They include investment research or make available benefits, software, and other technology that:

## Berger Financial Group

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- Provides access to Client account data (such as duplicate trade confirmations and account statements)
- Facilitates trade execution and allocate aggregated trade orders, as applicable
- Provides pricing and other market data
- Generates custodial statements and other Client related reporting
- Facilitates payment of fees from Client accounts
- Assists with back-office functions, recordkeeping, and Client reporting

Clients should be aware that the receipt of economic benefits by Berger Financial described above, in and of itself, creates a potential conflict of interest and may directly or indirectly influence the Adviser's recommendation of custodians for custody and brokerage services.

An Adviser's duty to provide best execution for its clients means that the Adviser must seek to execute client transactions so that the client's total cost or proceeds in each transaction is the most favorable under the circumstances, although the Adviser may consider a variety of factors in making this determination. The decision to utilize a custodian is based on several criteria including but not limited to:

- Quality of overall execution services provided;
- Promptness of execution;
- Creditworthiness, financial condition, and business reputation;
- Promptness and accuracy of reports on execution;
- Promptness and accuracy of confirmation statements;
- Technology and operational capabilities;
- The market where the security trades;
- Any expertise in executing trades for the particular type of security; and
- Access to exchange traded funds and mutual funds without transaction charges and other securities at nominal transaction charges.

Berger Financial has an incentive to use the recommended custodians because their services enable us to more efficiently serve clients. Berger Financial does not believe that clients whose accounts are held by the recommended custodians incur any additional costs in connection with Berger Financial's receipt of the products and services described above. There is no affiliation or fee sharing arrangements between Berger Financial and the recommended custodians. However, Berger Financial would not receive the operational and economic benefits described above if Berger Financial did not have an established relationship with these companies. These benefits do not depend on the amount of transactions directed by Berger Financial to the recommended custodians.

**Soft Dollar Arrangements:** Berger Financial does not receive research or other products or services other than execution from a broker-dealer or a third party in connection with Client securities transactions.

**Brokerage for Client Referrals:** Berger Financial does not recommend broker-dealers to Clients based on our interest in receiving Client referrals.

**Directed Brokerage:** Berger Financial does not require or permit Clients to direct brokerage.

**Trade Aggregation and Allocation:** Berger Financial generally aggregates or “blocks” orders being placed for execution at the same time within a particular investment strategy. Berger Financial believes this practice enables the Adviser to seek more favorable executions and net prices for the combined order.

All block orders are subject to Berger Financial’s order aggregation and allocation policy and procedures (“Procedures”). The Investment Committee makes decisions to recommend, purchase, sell or hold securities for its investment strategies, based on the specific investment objectives, guidelines, restrictions and market conditions. Berger Financial believes that aggregating orders will, in general, benefit as a whole over time by lowering the commissions for the aggregate transaction. Aggregation typically benefits the accounts because of the much larger volume discount obtainable with the aggregate transaction than that possible with the single account. However, in any particular instance, aggregation may result in a less favorable price or execution for any particular Client than might have been obtained if a particular transaction had been effected separately. Accounts for Clients and or personnel that are managed independent of the Adviser’s investment strategies are not aggregated with those trades placed within a particular investment strategy.

Berger Financial’s trade allocation policy promotes fair and equitable allocation of trades among accounts with no particular Client or group of Clients being favored or disfavored. As the Firm is allocating securities within a particular investment strategy, the trade allocation is pre-determined before the trades are entered. Once the trade(s) are executed, the Adviser will allocate according to the pre-determined allocation. If a particular security can not be allocated in accordance to the pre-determined allocation, Berger Financial will allocate the shares in a fair and equitable manner.

**Mutual Fund Share Class Selection:** Mutual funds generally offer multiple share classes available for investment based upon certain eligibility and/or purchase requirements. For instance, in addition to retail share classes (typically referred to as class A, class B and class C shares), funds may also offer institutional share classes or other share classes that are specifically designed for purchase by investors who meet certain specified eligibility criteria, including, for example, whether an account meets certain minimum dollar amount. Institutional share classes usually have a lower expense ratio than other share classes. When recommending investments in mutual funds, it is our policy to review and consider available share classes. Our policy is to select the most appropriate share classes based on various factors including but not limited to: minimum investment requirements, trading restrictions, internal expense structure, transaction charges, availability and other factors. When considering all the appropriate factors, we can select a share class other than the ‘lowest cost’ share class. In order to select the most appropriate share class, we consider retail, institutional or other share classes of the same mutual fund. Regardless of such considerations, clients should not assume that they will be invested in the share class with

the lowest possible expense ratio. Clients should ask their adviser whether a lower cost share class is available instead of those selected by the Firm. Berger Financial periodically reviews the mutual funds held in client accounts to select the most appropriate share classes in light of its duty to obtain best execution.

### **Item 13: Review of Accounts**

**Reviews:** Clients who engage Berger Financial for ongoing financial consulting typically have annual account reviews conducted by a consultant from Berger Financial. These reviews include a review of the Client's financial planning and asset allocation requirements. Additionally, we may review other tax, estate or investment planning needs. Client accounts may also be reviewed more frequently based on Client requests, changes to investment markets, or changes to Client circumstances.

**Reporting:** Berger Financial provides Clients with reports to assist in the financial planning and asset allocation reviews. Reports are customized to meet the needs of Clients. Common reports provided to Clients include a balance sheet, asset allocation report and asset detail report.

Clients receive statements no less than quarterly from a qualified custodian detailing account holdings and activity. We urge Clients to compare the account statements received from the custodian with the reports they receive from Berger Financial.

### **Item 14: Client Referrals and Other Compensation**

Berger Financial does not currently compensate any unrelated persons for Client referrals; however, the Firm reserves the right to engage such solicitor at its discretion.

### **Item 15: Custody**

Berger Financial does not maintain physical possession of Client cash and/or securities. Berger Financial is deemed to have custody of Client assets (as defined by the Advisers Act) when Berger Financial directly deducts fees from the Client's account. Aside from being able to directly debit fees, the Adviser has custody of certain Client accounts as a result of executed standing letters of authorization ("SLOA") for distributions to third parties. Berger Financial has implemented procedures to meet the specific conditions as stated in the SEC's SLOA no action letter under which the obligation to obtain a surprise examination is waived. Each custodian holding Client assets sends statements directly to the account owners on at least a quarterly basis.

Cash and securities are maintained at a qualified custodian within the meaning of the Adviser's Act. Clients will receive account statements directly from a qualified custodian at least quarterly and should carefully review those statements. We urge Clients to compare the account statements received from the custodian with the reports they receive from Berger Financial.

**Surprise Independent Examination**

As Berger Financial is deemed to have custody over certain Client' account(s) (for reasons other than those discussed above), the Adviser will be required to engage an independent accounting firm to perform a surprise annual examination of certain assets and accounts over which it maintains custody. Any related opinions issued by an independent accounting firm are filed with the SEC and are publicly available on the SEC's Investment Adviser Public Disclosure website. Berger Financial does not have direct access to Client funds as they are maintained with an independent qualified custodian.

**Item 16: Investment Discretion**

Berger Financial provides management services on a discretionary basis. The Client authorizes the Advisor to have discretion by signing a Wealth Management Agreement.

**Item 17: Voting Client Securities**

Berger Financial does not accept proxy voting authority with respect to Client securities. Clients are instructed at the time of account opening to authorize their custodian to forward copies of all proxies and shareholder communications directly to them. Clients are responsible for directing the manner in which proxies are voted and making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the securities in their accounts. Berger Financial will not assist a Client in its decision to vote on any proxy solicitations.

**Item 18: Financial Information**

Registered investment advisers are required to provide you with certain financial information or disclosures about the Adviser's financial condition. Berger Financial does not require or solicit prepayment of fees more than six months in advance. Additionally, Berger Financial has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and has not been subject to a bankruptcy proceeding.