



**THE BERRY GROUP**  
INVESTMENTS | PLANNING | ADVICE

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## **Form ADV Part 2A, Appendix 1**

### **Wrap Fee Program Brochure**

November 26, 2019

**This Wrap Fee Program Brochure provides information about the qualifications and business practices of The Berry Group, LLC. You should review this brochure to understand your relationship with our firm and help you determine to hire or retain us as your investment adviser. If you have any questions about the contents of this brochure, please contact us at [info@berryadvice.com](mailto:info@berryadvice.com) or (508) 713-9580. The information in this Brochure has not been approved or verified by the United States of America Securities and Exchange Commission (“SEC”) or by any state securities authority.**

**Additional information about The Berry Group also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by our firm name or by using a unique identifying number, known as a CRD number. The CRD number for The Berry Group is 301876.**

**The Berry Group is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.**

## **Item 2 – Material Changes**

This section of the Wrap Fee Program Brochure discusses specific material changes that have been made to the brochure since the firm's last annual update. There are no material changes to report at this time.

We will provide you with a Summary of Material Changes made to this brochure annually at no cost. You may receive an updated copy of this brochure at any time by contacting us at [info@berryadvice.com](mailto:info@berryadvice.com) or (508) 713-9580.

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## Item 4 – Services, Fees and Compensation

### Our Services

The Berry Group, LLC (“The Berry Group”) is a fee-only registered investment adviser that provides investment management and financial advisory services to individual investors to help them achieve their financial needs and goals. Founded in 2019, the firm is owned by Sarah Berry and Michael Machnowski.

Our firm takes pride in providing personalized service to our clients and acknowledges that it is held to a fiduciary standard of care.

The Berry Group offers portfolio management services through bundled and unbundled programs. Our bundled or “wrap fee” program is managed similarly to our unbundled program. A wrap fee program is an advisory fee program under which you pay one bundled fee to compensate The Berry Group for portfolio management and trade execution. An unbundled program is an advisory program under which you are responsible for paying any transaction costs in addition to our investment advisory fee. A wrap fee program may not be the lowest cost option if you would like to restrict your investments to open-end mutual funds or other long-term investment products. Please refer to our Form ADV Part 2A Brochure for additional information on our unbundled program.

The Berry Group manages our clients’ portfolios on a discretionary and, in limited circumstances, non-discretionary basis. Our portfolio management services are tailored to the needs of our clients and are based on a comprehensive understanding of each client’s current situation, past experiences, and future goals. With this acquired knowledge we create, analyze, strategize, and implement goal-oriented investment solutions. These solutions become our clients’ investment policy. This policy and our matched strategies are designed to be risk appropriate, cost effective and tax efficient.

### Fees and Compensation

Fees for portfolio management services are based on assets under management and are payable quarterly in advance. The Berry Group may negotiate advisory fees at our sole discretion. In situations where The Berry Group provides advice with respect to certain client holdings (e.g., held-away assets, 529 plans, etc.), we may negotiate a fee rate that differs from our standard fee schedule.

### Individual and Family Relationships

Our tiered fee schedule for individual and family relationships is charged based on assets under management per the dollar breakpoint threshold as follows:

Assets Under Management	Annual Advisory Fee
Assets up to \$2,500,000	1.00%
Next \$2,500,001 to \$5,000,000	0.75%
Next \$5,000,001 to \$10,000,000	0.50%
Assets greater than \$10,000,001	0.25%

This fee schedule may be based on cumulative household assets under management. However, certain ERISA rules prevent householding corporate plans with personal assets for fee reductions. You should refer to your advisory agreement for your specific fee rate(s).

Although the firm does not require a minimum portfolio size, we generally impose a minimum annual fee of \$5,000 per client relationship for investment and wealth management services for individual and family relationships.

### **Institutional Clients**

Our tiered fee schedule for institutional clients is charged based on assets under management per the dollar breakpoint threshold as follows:

<b>Assets Under Management</b>	<b>Annual Advisory Fee</b>
Assets up to \$2,500,000	0.75%
Next \$2,500,001 to \$5,000,000	0.55%
Next \$5,000,001 to \$10,000,000	0.35%
Next \$10,000,001 to \$20,000,000	0.20%
Assets greater than \$20,000,000	0.10%

Although the firm does not require a minimum portfolio size, we generally impose a minimum annual fee of \$10,000 per client relationship for investment and wealth management services for institutional clients.

### **Costs of Our Program**

Fees for our portfolio management services may be higher or lower than fees charged by other advisers who sponsor similar programs, or if you paid separately for investment advice and other services. The Berry Group offers this wrap fee program based on the economic advantages it offers to clients. Fees for the wrap program include clearing and custodial costs, transaction fees and our portfolio management fee. You may be charged different fees than similarly situated clients for the same services. Your specific wrap fee is described in your investment management agreement. You should carefully review this brochure to understand the fees and other sources of compensation we receive prior to entering into an investment advisory contract with our firm.

### **Other Types of Fees You May Incur**

You may incur additional charges imposed by custodians, broker-dealers, investment companies and other third parties, such as account maintenance fees, transfer taxes, fees for trades executed away from the custodian, wire transfer and electronic fund fees and other fees and taxes on securities transactions. Such charges and fees are exclusive of and in addition to The Berry Group's fees. You are responsible for payment of any and all taxes that may be due as a result of any transactions in your account.

In addition to advisory fees, you are responsible for paying any management and other fund-related expenses for any mutual funds in which your account assets are invested. This includes redemption fees imposed by the mutual fund or custodian as a result of a transaction-related request you initiate (such as a partial or complete liquidation of your account).

## **Our Compensation for Your Participation in the Program**

The Berry Group acts as both the sponsor and portfolio manager of the wrap program. This means we receive compensation as a result of your participation in the program. The fact that we recommend this program may be viewed as a conflict of interest as we have an incentive to recommend the program over other programs or services. The cost of trading is not material to influence our investment recommendations. It is our policy to always act in the best interests of our clients. Clients are encouraged to compare the costs they may incur in this Wrap Program vs. a typical investment management account, as the anticipated level of trading activity will impact the costs associated with each type of arrangement.

## **Item 5- Account Requirements and Types of Clients**

The Berry Group provides portfolio management services to individuals, high net worth individuals and families, pension and profit-sharing plans, trusts, estates, charitable institutions, foundations, corporations, and other business entities.

The Berry Group generally does not require a minimum initial investment for investment management services. The firm, in its sole discretion, may accept clients with smaller portfolios based upon each client's particular circumstances.

## **Item 6 – Portfolio Manager Selection and Evaluation**

### **Selection and Review of Portfolio Managers**

The Berry Group acts as both the sponsor and portfolio manager of the wrap program. We do not utilize any third-party money managers.

In an effort to mitigate any potential conflicts of interest, we have the ability to effect a large amount of trades within the wrap program with institutional pricing. This mitigates the incentive to recommend fewer trades in your account. The cost of trading is not material to our investment recommendations. It is our policy to always act in the best interests of our clients.

### **Types of Advisory Services We Offer**

The Berry Group offers a variety of advisory services to individuals, high net worth individuals, trusts, businesses and corporations. These services include:

- Investment and wealth management
- Selection of Independent Managers
- Financial planning and consulting
- Fiduciary and non-fiduciary services for plan sponsors

We work with our clients to determine their investment objectives and risk profile and develop a customized investment plan based on their individual needs and goals. The Berry Group will utilize the financial information provided by the client to analyze and develop strategies and solutions to assist the client in meeting their financial goals.

Prior to The Berry Group rendering any of the foregoing services, clients are required to enter into one or more written advisory agreements with The Berry Group setting forth the relevant terms and conditions of the advisory relationship.

### **Investment and Wealth Management Services**

The Berry Group manages our clients' portfolios on a discretionary and, in limited circumstances, non-discretionary basis. Our investment and wealth management services are tailored to the needs of our clients and are based on a comprehensive understanding of each client's current situation, past experiences, and future goals. With this acquired knowledge we create, analyze, strategize, and implement goal-oriented investment solutions. These solutions become our clients' investment policy. This policy and our matched strategies are designed to be risk appropriate, cost effective and tax efficient.

Our wealth management services generally include a broad range of comprehensive financial planning and/or consulting services, as well as discretionary or, in limited circumstances, non-discretionary management of investment portfolios.

Client assets are primarily allocated among individual equity and debt securities, exchange-traded funds ("ETFs"), and institutional mutual funds in accordance with the client's stated investment objective and risk/volatility parameters. We may also recommend clients allocate a certain portion of their assets to independent investment managers ("Independent Managers"). Where appropriate, The Berry Group may also provide advice about many types of legacy positions or other investments held in client portfolios. Clients may also engage The Berry Group to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts (to the extent permissible without an insurance license) and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, The Berry Group will direct or make recommendations on a non-discretionary basis for the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or custodian for the plan trustee or administrator and clients retain responsibility for effecting trades in these accounts.

Clients may also retain The Berry Group to provide advisory services for their retirement plan account. When providing these services, the firm acts as an ERISA 3(21) fiduciary and is required to act under the standard of care in ERISA that is generally a higher standard than imposed on our firm under the Investment Advisers Act of 1940. Advisory services available to plan participants include:

- Non-discretionary investment advice
- Asset allocation models
- Strategic investment allocations
- Investment performance reporting

The decision to implement any recommendations rests exclusively with the plan participant and there is no obligation to implement any such recommendations through our firm.

The Berry Group consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. You should promptly notify us if there are changes in your financial situation or if you wish to place any limitations on the management of your account. You may impose reasonable restrictions or mandates on the management of your account if The Berry Group determines, in our sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the firm's management efforts.

To the extent a client decides to invest with an Independent Manager or in a particular fund, those managers and funds will have their own investment practices. Those investment practices are described in each manager's Form ADV or fund's prospectus, or in its offering or other disclosure documents. In addition, selected money managers or funds typically have discretion to determine the type and amount of securities to be purchased or sold for the portion of the assets managed by the money manager or fund.

### **Selection of Independent Managers**

The Berry Group may select certain Independent Managers to actively manage a portion of its clients' assets. Pursuant to the terms of the investment advisory agreement, The Berry Group shall have the discretion to appoint and terminate these third-party advisers. The specific terms and conditions under which a client engages an Independent Manager may also be set forth in a separate written agreement with the designated Independent Manager. In addition to this brochure, clients may also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets. The Berry Group evaluates a variety of information about Independent Managers, which may include the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves and other third-party analyses it believes are reputable. To the extent possible, The Berry Group seeks to assess the Independent Managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposure. The Berry Group also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors.

The Berry Group continues to provide services relative to the discretionary or non-discretionary selection of the Independent Managers. On an ongoing basis, The Berry Group monitors the performance of those accounts being managed by Independent Managers. The Berry Group seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

### **Portfolio Management Services for Wrap Fee Program**



The Berry Group offers portfolio management services through bundled and unbundled programs. Our bundled or “wrap fee” program is managed similarly to our unbundled program. A wrap fee program is an advisory fee program under which you pay one bundled fee to compensate The Berry Group for portfolio management and the custodian for custody and trade execution. An unbundled program is an advisory program under which you are responsible for paying any transaction costs in addition to our investment advisory fee. A wrap fee program may not be the lowest cost option if you would like to restrict your investments to open-end mutual funds or other long-term investment products.

### **Performance-Based Fees and Side-By-Side Management**

The Berry Group does not charge any performance-based fees or participate in side-by-side management.

### **Methods of Analysis and Investment Strategies**

The Berry Group carefully constructs a tax-efficient and cost-effective asset allocation strategy based on a client’s unique cash flow needs, stated return and risk profile. Security selection is based on qualitative, quantitative, technical, and relative strength metrics. Portfolios holdings are constantly monitored and adjusted as market conditions and our clients’ circumstances dictate. Clients may hold or retain other types of assets as well, and The Berry Group may offer advice regarding those various assets as part of our services. Advice regarding such assets generally will not involve asset management services.

The Berry Group predominantly utilizes a combination of active and passive strategies to allocate client assets among publicly traded securities, such as stocks, bonds, ETFs, mutual funds, and/or separately managed portfolios. Nevertheless, individual client circumstances may dictate the use of other types of securities, actively managed portfolios, or alternative investments. Depending upon the client’s financial needs, strategies implemented might include long term purchases (securities held at least a year), short term purchases (securities sold within a year), trading (securities sold within 30 days), short sales, margin transactions, option writing, including covered options, uncovered options or spreading strategies, and other securities transactions.

### **Risk of Loss**

Investing in securities involves risk of loss that you should be prepared to bear. All investments present the risk of loss of principal – the risk that the value of securities (e.g., stocks, mutual funds, ETFs, bonds, etc.), when sold or otherwise disposed of, may be less than the price paid for the securities. Even when the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In other words, the purchasing power of the proceeds may be less than the purchasing power of the original investment. There is no guarantee that investment recommendations made by The Berry Group will be accurate. We cannot assure that your account will increase, preserve capital or generate income, nor can we assure that your investment objectives will be realized. Although all investments involve risk, our investment advice seeks to limit risk through diversification among various asset classes.

We may recommend a variety of security types for your account in an effort to achieve your individual needs and goals. This may include, but is not limited to, stocks, bonds, open-end and closed-end mutual funds and hedge funds, private equity funds, venture capital funds, advisory accounts, real estate investment trusts, ETFs, or other private alternative or other investment funds. An investment in such other funds or managers may present risks specific to the particular investment vehicle, such as long-term illiquidity, redemption notice periods or other restrictions on redemptions, capital calls, or periodic taxable income distribution.

Described below are the material risks associated with investing in the types of securities we generally use in client accounts:

**Equity Securities:** In general, prices of equity securities (common, convertible preferred stocks and other securities whose values are tied to the price of stocks, such as rights, warrants and convertible debt securities) are more volatile than those of fixed-income securities. The prices of equity securities could decline in value if the issuer's financial condition declines or in response to overall market and economic conditions. Investments in smaller companies and mid-size companies may involve greater risk and price volatility than investments in larger, more mature companies.

**Fixed-Income Securities:** The return and principal value of bonds fluctuate with changes in market conditions. Fixed-income securities are subject to interest rate risk and credit quality risk. The market value of fixed-income securities generally declines when interest rates rise, and an issuer of fixed-income securities could default on its payment obligations. Changes in interest rates generally have a greater effect on bonds with longer maturities than on those with shorter maturities. If bonds are not held to maturity, they may be worth more or less than their original value. Credit risk refers to the possibility that the issuer of a bond will not be able to make principal and/or interest payments. High yield bonds, also known as "junk bonds," carry higher risk of loss of principal and income than higher rated investment grade bonds.

**Mutual Funds:** Mutual funds may invest in different types of securities, such as value or growth stocks, real estate investment trusts, corporate bonds or U.S. government bonds. There are risks associated with each asset class.

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency. Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund. Redemption is at the current net asset value, which may be more or less than the original cost. Aggressive growth funds are most suitable for investors willing to accept price per share volatility since many companies that demonstrate high growth potential can also be high risk. Income from tax-free mutual funds may be subject to local, state and/or the alternative minimum tax.

Because each mutual fund owns different types of investments, performance will be affected by a variety of factors. The value of your investment in a mutual fund will vary from day to day as the values of the underlying investments in a fund vary. Such variations generally reflect changes in

interest rates, market conditions and other company and economic news. These risks may become magnified depending on how much a fund invests or uses certain strategies. A fund's principal market segment(s), such as large-cap, mid-cap or small-cap stocks, or growth or value stocks may underperform other market segments or the equity markets as a whole. You can find additional information regarding these risks in the fund's prospectus.

**Exchange-Traded Funds (ETFs):** ETFs are typically investment companies that are legally classified as open-end mutual funds or unit investment trusts. ETFs differ from traditional mutual funds in that ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly traded companies. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and ask price is often referred to as the "spread." The spread varies over time based on the ETF's trading volume and market liquidity and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Liquidity risks are higher for ETFs with a large spread. ETFs may be closed and liquidated at the discretion of the issuing company.

**International Investing:** The risks of investing in foreign securities include loss of value as a result of political or economic instability; nationalization, expropriation or confiscatory taxation; changes in foreign exchange rates and foreign exchange restrictions; settlement delays; and limited government regulation (including less stringent reporting, accounting, and disclosure standards than are required of U.S. companies). These risks may be greater with investments in emerging markets. Certain investments utilized by The Berry Group may also contain international securities.

**Cash and Cash Equivalents:** A portion of your assets may be invested in cash or cash equivalents to achieve your investment objective, provide ongoing distributions and/or take a defensive position. Cash holdings may result in a loss of market exposure.

**Alternative Investments:** Alternative investments are illiquid investments and do not trade on a national securities exchange. Alternative investments typically include investments in direct participation program securities (partnerships, limited liability companies, business development companies or real estate investment trusts), commodity pools, private equity, private debt or hedge funds. Alternative investments are subject to various risks, such as illiquidity and property devaluation based on adverse economic and/or real estate market conditions.

Alternative investments are not suitable for all investors. Investors considering an investment strategy utilizing alternative investments should understand that alternative investments are generally considered speculative in nature and may involve a high degree of risk, particularly if concentrating investments in one or few alternative investments. These risks are potentially greater and substantially different than those associated with traditional equity or fixed income investments. Additional information regarding these risks can be found in the product's prospectus or offering documents.

## **Voting Client Securities**

The Berry Group does not have authority to vote client securities on behalf of our clients. You are solely responsible for receiving and voting proxies for the securities maintained in your account. Proxy statements will be provided to you directly from the custodian or transfer agent. You may contact us at [info@berryadvice.com](mailto:info@berryadvice.com) or (508) 713-9580 if you have questions about a particular solicitation.

## **Item 7 – Client Information Provided to Portfolio Managers**

If an Independent Manager is used to manage all or a portion of your account, The Berry Group will share certain information needed by the third-party portfolio manager to effectively manage your account, such as your risk tolerance, investment objectives or other investment policy information.

## **Item 8 – Client Contact with Portfolio Managers**

The Berry Group is your primary contact for account-related questions. You may contact us directly at [info@berryadvice.com](mailto:info@berryadvice.com) or (508) 713-9580 to discuss your account.

## **Item 9 – Additional information**

### **Disciplinary Information**

As a registered investment adviser, The Berry Group is required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of our firm or the integrity of our management. The Berry Group has no disciplinary information to report.

### **Other Financial Industry Activities and Affiliations**

The Berry Group has no other financial industry activities or affiliations.

### **Code of Ethics, Participation in Client Transactions and Personal Trading**

The Berry Group is committed to providing investment advice with the utmost professionalism and integrity. Our firm strives to identify manage and/or mitigate conflicts of interest and has adopted policies, procedures and oversight mechanisms to address conflicts of interest. We have adopted a Code of Ethics that emphasizes our fiduciary obligation to put client interests first and is designed to ensure personal securities transactions, activities, and interests of employees will not interfere with the responsibilities to make decisions in the best interest of clients. All supervised persons of our firm must acknowledge and comply with our Code of Ethics.

You may request a copy of our Code of Ethics by contacting us at [info@berryadvice.com](mailto:info@berryadvice.com) or (508) 713-9580.

## **Participation in Client Transactions**

The Berry Group does not affect principal or agency cross securities transactions for client accounts. The Berry Group also does not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells a security to an advisory client. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Employee Personal Trading**

Supervised persons of The Berry Group may purchase or sell the same security that we recommend for investment in client accounts. This creates a conflict of interest as there is a possibility that employees of our firm might benefit from market activity by a client in a security held by the employee. Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of The Berry Group will not interfere with making decisions in the best interest of advisory clients and implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code of Ethics, certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of The Berry Group's clients. Our Code of Ethics also places restrictions on our employees' personal trading activities. These restrictions include, but are not limited to, a prohibition on trading based on non-public information and pre-clearance requirements for certain types of transactions. Employee trading is continually monitored under the Code of Ethics in an effort to prevent conflicts of interest between The Berry Group and our clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with The Berry Group's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. The Berry Group will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.

## **Brokerage Practices**

### **Selection and Recommendation of Broker-Dealers**

Though The Berry Group recommends brokers with which we've negotiated pricing on behalf of our clients, we do not have discretionary authority to select brokers. We endeavor to recommend broker-dealers that will provide the best services at the lowest commission rates possible. The reasonableness of commissions is based on the broker's ability to provide professional services,

competitive commission rates, research and other services that will help our firm provide investment management services to clients. The Berry Group may recommend brokers who provide useful research and securities transaction services even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction assistance.

We have negotiated competitive pricing and services with Trade-PMR, Inc. (“Trade-PMR”) and Charles Schwab & Co., Inc. (“Schwab”) for brokerage back-office and trade execution services. Trade-PMR clears trades and custodies assets at First Clearing Corp. (“FCC”). First Clearing Corp. is a trade name used by Wells Fargo Clearing Services, LLC., a non-bank affiliate of Wells Fargo & Company. Trade-PMR, FCC and Schwab are unaffiliated registered FINRA/SIPC member broker-dealers. The brokerage commissions and/or transaction fees charged by Trade-PMR or any other designated broker-dealer are exclusive of and in addition to The Berry Group’s advisory fee. The Berry Group regularly reviews the reasonableness of the compensation received by the broker-dealers used for executing client transactions in an effort to ensure that our clients receive favorable execution consistent with our fiduciary duty. Factors which The Berry Group considers in recommending broker-dealers to clients include, but is not limited to, their respective financial strength, reputation, execution, pricing, research, and service. The commissions and/or transaction fees charged by these brokers may be higher or lower than those charged by other broker-dealers.

Effective October 7, 2019, Schwab has eliminated commissions for online trades of U.S. equities, ETFs and options (subject to \$0.65 per contract fee). We encourage you to review Schwab’s pricing to compare the total costs of entering into a wrap fee arrangement versus a non-wrap arrangement. You will still incur commissions and fees at Schwab for certain types of transactions in a non-wrap fee arrangement. To see what you would pay for transactions in a non-wrap account please refer to Schwab’s most recent pricing schedules available at [www.schwab.com/aspricingguide](http://www.schwab.com/aspricingguide).

The commissions paid by The Berry Group’s clients are intended to be consistent with our duty to obtain “best execution.” However, a client may pay a commission that is higher than what another qualified broker-dealer might charge to affect the same transaction when The Berry Group determines, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer’s services, including among others, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while The Berry Group will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions.

Independent Managers selected by clients to manage clients' assets will generally also request the discretion to select brokers and negotiate commissions on behalf of a client. The Berry Group will not have control over trading execution by such managers. Clients should review the Form ADV disclosure documents of such managers regarding their trading practices.

#### **Products & Services Available to Us From Broker-Dealers**

The broker-dealers we recommend to clients provide The Berry Group with access to its institutional trading and custody services, which are typically not available to retail investors. These brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. Other benefits we may receive include receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its participants; access to block trading which provides the ability to aggregate securities transactions and then allocates the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information. Schwab's support services are generally available on an unsolicited basis and at no charge to us as long as we maintain a total of at least \$10 million of our clients' assets in accounts at Schwab.

The Berry Group also receives other services from broker-dealers (or third-party vendors with which they do business) to help us manage and further develop our business enterprise. These services include educational conferences and events; technology, compliance, legal and business consulting; publications and conferences on practice management and business succession; and access to employee benefits providers, human capital consultants and insurance providers. Fees for these services may be waived, discounted or compensated by the broker-dealer. Trade-PMR also provided The Berry Group with nominal funding to assist with startup expenses establishing the business entity. Irrespective of these direct and indirect benefits to our clients, we strive to enhance our clients' experience and always put the needs of our clients first.

#### **Research and Other Soft Dollar Benefits**

The Berry Group does not participate in soft-dollar relationships.

#### **Brokerage for Client Referrals**

When selecting broker-dealers for the execution of client securities transactions, The Berry Group does not consider whether we will receive any client referrals from the broker-dealer or any other third-party.

#### **Directed Brokerage**

As The Berry Group will not request the discretionary authority to determine the broker-dealer to be used or the commission rates to be paid, clients must direct The Berry Group as to the broker-dealer to be used. The commissions and transaction fees charged by these broker-dealers could be higher or lower than those charged by other custodians and broker-dealers. In directing the use of a particular broker-dealer, it should be understood that The Berry Group will not have authority to negotiate commissions among various broker-dealers or obtain volume discounts. As such, best execution may not be achieved. Not all investment advisers require clients to direct the use of specific broker-dealers

#### **Aggregation of Orders**

Transactions for each client will generally be effected independently. For certain trades, The Berry Group will block trades where possible and when advantageous to clients. The blocking of trades



permits the trading of aggregate blocks of securities composed of assets from multiple client accounts where transaction costs are shared equally and on a pro-rated basis between all accounts included in the block. Block trading allows us to execute equity or fixed income trades in a timely, equitable manner and to reduce overall commission charges to clients. Clients who do not provide The Berry Group with discretion will not participate in block trades, and their trades in similar securities will be placed with brokers after trades for discretionary accounts. Accounts owned by supervised persons of our firm may participate in block trading with your accounts; however, these individuals will not be given preferential treatment of any kind.

## **Review of Accounts**

Accounts at The Berry Group are reviewed on a periodic basis. This informal review includes assessing client goals and objectives, monitoring the account and addressing the need to rebalance, as necessary. Individual securities held in client accounts are periodically monitored by The Berry Group, while any selected third-party managers are monitored on a quarterly basis. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes to a client's individual circumstances, market conditions, or the political or economic environment.

The Berry Group may also review tax-planning needs, cash-flow needs, as well as charitable giving, insurance, and estate planning as part of our ongoing client reviews. Reviews are tailored to the services we provide to you, as well as your individual needs and goals. We encourage you to discuss your needs, goals, and objectives with us and keep us informed of any changes. If you engage our firm for ongoing investment advisory services, we will contact you at least annually to determine whether there have been any changes to your financial situation or investment objectives and whether you wish to impose any reasonable restrictions on the management of your account or reasonably modify any existing restrictions. At this time, we will advise you of any account changes we feel are necessary to help you stay on track with meeting your financial goals and consider whether the current services provided by our firm continue to be suitable for your needs.

In addition to the account statements you receive for your account custodian at least quarterly, The Berry may also provide you with written quarterly performance reports for your account that provide details on account holdings and performance. As a convenience to our clients, in addition to reporting on clients' financial assets, at a client's request we may prepare a global consolidated report that also includes certain non-financial assets (e.g., real assets). In such instances, The Berry Group relies on the client to provide current and accurate price or other valuation information for those assets to be included in the client's consolidated account report. In no instance are non-financial assets included in performance reporting. The Berry Group does not independently verify, and expressly disclaims responsibility for, the accuracy of any non-financial asset values clients provided to us to include in their reporting.

## **Client Referrals and Other Compensation**

### **Other Compensation Arrangements**



The Berry Group receives compensation from the broker-dealers and custodians used for your account in the form of access to electronic systems that assist us in the management of client accounts, as well as research, software and other technology that provide access to client account data (such as trade confirmations and account statements), pricing information and other market data, facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), and client reporting capabilities. Trade-PMR provided our firm with nominal funding to assist with startup expenses establishing our business entity.

Your account custodian also offers The Berry Group discounts for products and services offered by vendors and third-party service providers, such as research, software and technology solutions, as well as attendance to educational conferences and events; consulting on technology, compliance and business needs; and access to publications and conferences on practice management and business succession. While these products and services assist us in managing and administering your account, these economic benefits create a conflict of interest in that it gives our firm an incentive to recommend one broker-dealer or custodian over another that does not provide similar electronic systems, support or services. We address this conflict of interest by disclosing to our clients the types of compensation that our firm receives so clients can consider this when evaluating our firm. It is important that you consider the fees, level of service and investment strategies, among other factors, when selecting an investment manager.

### **Client Referrals**

The Berry Group does not pay any referral fees to other individuals for referring clients to our firm.

### **Financial Information**

As a registered investment adviser, The Berry Group is required to provide you with certain financial information about our firm.

### **Prepayment of Fees**

We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

### **Our Financial Condition**

We do not have any financial commitment that is reasonably likely to impair our contractual commitments to our clients, nor has our firm ever been the subject of a bankruptcy proceeding.