

**PEAK CAPITAL MANAGEMENT, LLC**  
**Client Relationship Summary**  
June 26, 2020

## 1. Introduction

Our name is Peak Capital Management, LLC (“PCM”). We are registered with the Securities and Exchange Commission as an investment adviser. The services offered and fees charged by an investment adviser differ from those of broker-dealers and it is important that you understand the differences. Free and simple tools are available to research investment adviser firms, broker-dealers, and their financial professionals at [www.Investor.gov/CRS](http://www.Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

## 2. Relationships and Services

***What investment services and advice can you provide me?*** We offer investment advisory services to retail investors. We allocate client assets to proprietary model portfolios, which are diversified, multi-strategy equity and fixed income portfolios that hold combinations of exchange-traded funds (“ETFs”), mutual funds and, in limited cases individual stocks, that we manage in accordance with a quantitative process. Clients are assigned to a model based on an initial risk assessment, and suitability is reassessed at least annually. These investments are held in accounts in the client’s name at independent custodian brokers, such as Schwab, Interactive Brokers, or SEI. In appropriate cases, we may recommend private equity, hedge fund, or commodity pool investments to qualified investors. We offer financial planning services at an additional cost.

Retail investment accounts are monitored on a daily basis. We provide quarterly reporting on the performance of your investments and portfolio. We maintain full investment discretionary authority over retail client accounts invested in our models. Clients make the final decisions with respect to investments in private equity, hedge fund, or commodity pool vehicles. In general, we require a minimum account size of \$500,000 to open and maintain an account with us, although we reserve the right to waive this requirement in our sole discretion.

Most investments that we recommend, including the underlying investments within our models, are not affiliated with us, although our parent company, Shepherd Kaplan Krochuk, LLC (“SKK”), maintains affiliated private funds that we make available to certain qualified clients. We have conflicts of interest regarding SKK’s affiliated private funds, and regarding some other non-affiliated private funds that we may recommend to clients, as described in Item 3 below. We will disclose those conflicts to persons considering such investments. ***Please see the more detailed disclosure on the investment services and advice that we can provide to you in Items 4 and 7 of our Form ADV Part 2A which is available [here](#).***

*Given my financial situation, should I choose an investment advisory service? Why or why not? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

## 3. Fees, Costs, Conflicts, and Standard of Conduct

***What fees will I pay?*** You will pay us an asset-based fee typically ranging from .60 to 1.00% of the net assets in your account on an annualized basis, assessed quarterly in advance. Because we charge an asset-based fee, the more assets there are in your advisory account, the more you will pay in fees, and we therefore have an incentive to encourage you to increase the assets in your account. You will also pay other fees and costs, including custodian fees, brokerage fees, commissions, interest fees, taxes, duties and other governmental charges, transfer and registration fees, foreign exchange transaction costs, fees and costs charged by other investment advisers or funds, account maintenance fees, mutual fund fees, variable annuities fees, and other transactional fees and product-level fees. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. If you elect to receive financial planning services from us, those services involve a separate fee between \$5,000 and \$15,000 annually. If we recommend affiliated private funds to you as a qualified client, you will pay certain fees associated with the private fund investments to us or our affiliates. Affiliated private fund fees paid to our affiliates constitute a conflict of interest you should consider carefully in connection with any investment subject to them. ***Please make sure you understand what fees and costs you are paying. Please see the more detailed disclosure on our fees and costs in Items 5.A., B., C., and D of our Form ADV Part 2A, which is available [here](#).***

*Conversation Starters. Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

***What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?*** When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we, or our affiliates, make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means. The following arrangements and activities give us an incentive to make investments for you based on our own interests rather than on your needs.

- ***Affiliated Funds.*** We may introduce or recommend to you investments in certain private funds that our affiliates advise or manage. Investments in these funds may incur management and/or performance fees that are paid to our affiliates. In some circumstances, if you are an investment advisory client of PCM, you will not pay both an investment advisory fee and a fund management fee on the assets invested in those affiliated funds. Additionally, our affiliates, and/or our personnel have made investments in such funds and/or in companies in which those funds invest, and our personnel may provide services for compensation, including service as a director, for such companies. Also, our managers and employees do not pay management and performance fees if they invest in our affiliated funds. You will make the final decision regarding whether an investment in one of our affiliated funds is appropriate for you after we have disclosed to you any material conflicts.
- ***Other Conflicts.*** We, and/or our affiliates, may have business or financial relationships with private funds or private direct investments (or their affiliates) that we introduce or recommend to you. For example, a principal or affiliate of such a fund, or the fund itself, may invest in one of our funds or provide financing to us or an affiliate of ours, or joint venture with us in a fund or other business. You will make the final decision regarding whether such an investment is appropriate for you, after we have disclosed to you any material conflicts.

***Conversation Starters. How might your conflicts of interest affect me, and how will you address them?***

***Please see the more detailed disclosure on our conflicts of interest in Items 5, 6, 10, 11, 12, 14, and 17 of our Form ADV Part 2A, which is available [here](#).***

***How do your financial professionals make money?*** We pay our financial professionals who provide you with investment advice the following compensation: Our financial professionals receive a combination of fixed salary and a portion of client revenues that they are responsible for originating for the firm. Because firm's revenue is chiefly derived from the amount of client assets under its management, this compensation incentivizes our representatives to encourage you to increase the assets in your account.

#### **4. Disciplinary History**

***Do you or your financial professionals have legal or disciplinary history?*** Yes. In February 2020, Brian Lockhart ("Lockhart"), currently PCM's CEO and CIO, entered into a Stipulation for Consent Order with the Colorado Division of Securities ("Stipulation"). In the Stipulation, the Staff of the Division (the "Staff") alleged that in 2012 and 2013 Lockhart recommended an investment in a movie production company to some advisory clients and others regarding which he, as an Executive Producer, had a material conflict of interest that he maintains he disclosed orally to all of the clients. Multiple clients acknowledged such oral disclosure. The Staff determined that this recommendation was inconsistent with Lockhart's obligations under Division Rule 51-4.8(IA)(K), which requires such disclosures to be made in writing. Under the Consent Order, Lockhart agreed not to violate Rule 51-4.8(IA)(K). No fine or other penalty was assessed.

***Conversation Starters. As a financial professional, do you have any disciplinary history? For what type of conduct?***

#### **5. Additional Information**

You can find additional information about our investment advisory services on the [SEC's website](#) [and on <https://skk-llc.com/>]. You can request up to date information and a copy of our relationship summary by contacting us at 617 896 1600.

***Conversation Starters. Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?***