

Part 2A of Form ADV: *Firm Brochure*

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This brochure provides information about the qualifications and business practices of Saddle Peak Asset Management, LLC. If you have any questions about the contents of this brochure, please contact us at 310-656-7635 or rnakama@saddlepeakam.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Saddle Peak Asset Management, LLC is available on the Securities and Exchange Commission's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Saddle Peak Asset Management, LLC's CRD number is 137341.

Item 2 Material Changes

The following discusses material changes in Saddle Peak Asset Management, LLC's Firm Brochure since our last update on March 29, 2011.

As of December 31, 2011 the firm's client assets actively managed on a discretionary basis has amended to \$31,553,419 described under Item 4 of the Firm Brochure. In addition the firm is a State Registered Investment Adviser that was previously registered with the Securities and Exchange Commission. Also adjusted under Item 5 was the firm's advisory fee are negotiable over certain account asset thresholds for the Separately Managed Accounts and the Private Investment Fund which the last filing stated was non-negotiable.

Saddle Peak Asset Management, LLC will provide you with other interim disclosures about material changes as necessary.

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Item 4 Advisory Business

Saddle Peak Asset Management, LLC is a State-registered investment adviser with its principal place of business located in California. Saddle Peak Asset Management, LLC began conducting business in 2006. Saddle Peak Asset Management, LLC, ("the Adviser") is a California limited liability company, offers investment advisory services to high net worth individuals, pension and profit sharing plans, foundations and charities, trusts, estates, corporations, pension consulting, as well as other institutional clients.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Douglas Wharton Grey, Managing Member

Saddle Peak Asset Management, LLC offers the following advisory services to our clients:

Saddle Peak Asset Management, LLC also serves as the General Partner of a private investment long biased equity fund. The private investment fund's principal investments are U.S. common stocks, options and options on broad-based securities indices.

PORTFOLIO MANAGEMENT SERVICES INDIVIDUAL PORTFOLIO MANAGEMENT

Saddle Peak Asset Management, LLC provides investment management services on a discretionary basis to high new worth individuals, pension and profit sharing plans (other than plan participants), other pooled investment vehicles, charitable organizations, and corporations through separate accounts and a private investment fund. Saddle Peak offers two equity investment strategies (Item 8 provides more information about our investment strategies). The firm does not provide financial planning services, and does not advise the firm's clients in the selection of other investment advisers not managed by Saddle Peak Asset Management, LLC. The firm's clients choose from one of two investment strategies or both to meet their investment services needs.

Saddle Peak Asset Management, LLC portfolio strategies may include investments in common stock, exchange-listed securities, securities over-the-counter, foreign issuers, warrants, corporate debt securities (other than commercial paper), and United States government securities.

Additionally in the private investment fund strategy may include options contracts on investment securities and/or commodities.

ASSETS UNDER MANAGEMENT

As of 12/31/2011, Saddle Peak Asset Management, LLC were actively managing \$31,553,419 of clients' assets on a discretionary basis.

Item 5 Fees and Compensation

PORTFOLIO MANAGEMENT SERVICES INDIVIDUAL PORTFOLIO MANAGEMENT FEES

Separately Managed Account Fees

Saddle Peak Asset Management, LLC's annual fee for Individual Portfolio Management Services is based on an incremental percentage of assets under management, according to the following fee schedule:

Market Value of Assets in Account		Annual Fee
First	\$5,000,000.00	1.00%
From	\$5,000,000.01 to \$10,000,000.00	.90%
From	\$10,000,000.01 to \$15,000,000.00	.80%
Assets in excess of	\$15,000,000.01	.70%

The firm's fees are billed in arrears at the end of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter. Fees will be debited from the account in accordance with the client authorization in the Client Services Agreement.

Saddle Peak Asset Management, LLC requires a minimum account size of \$1,000,000 for this service. The firm may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee. Fees are negotiable over certain account asset thresholds.

Private Investment Fund Management Fees

Each interest in the private investment fund pays Saddle Peak Asset Management, LLC a management fee and a performance-based advisory fee. These fees are described in the investment management and investment advisory agreements between Saddle Peak Asset Management, LLC and the private investment fund's offering memorandum. (Item 6 provides more information about performance-based fees, and Item 10 provides more information about our private investment fund).

Performance Fee

In general Investors in the Private Investment Fund pay Saddle Peak Asset Management, LLC performance-based compensation ("Incentive Fees"). The firm's incentive fee is typically 20% of the net profits above the account's previous "high water mark" which is established at the end of each fiscal year. To the extent that the amount of account appreciation is less than the high water mark, there is a loss carry forward allocation that must be recouped before Saddle Peak Asset Management, LLC is entitled to a performance-based fee. (Please refer to the Private Investment Fund Offering Memorandum which provides more information about the performance-based fees).

Clients who elect to terminate their contracts will be charged a performance-based fee based on the performance of the account for the measuring period going back from the termination date and pro-rated from the date on which the performance-based fee was last assessed.

In measuring the private investment fund's assets for the calculation of performance-based fees, Saddle Peak Asset Management, LLC includes: for securities for which market quotations are readily available, the realized capital losses and unrealized capital losses of securities over the period and, if the unrealized capital appreciation of the securities over this period is included, the unrealized capital depreciation of securities over the period. As such, we may receive increased compensation with regard to unrealized appreciation as well as unrealized gains in the client's account.

PERFORMANCE-BASED FEES WILL ONLY BE CHARGED IN ACCORDANCE WITH THE PROVISIONS OF REG. 205-3 OF THE INVESTMENT ADVISERS ACT OF 1940 AND/OR APPLICABLE STATE REGULATIONS. THE FEES WILL NOT BE OFFERED TO ANY CLIENT RESIDING IN A STATE IN WHICH SUCH FEES ARE PROHIBITED.

Saddle Peak Asset Management, LLC's advisory fees are negotiable over a certain account asset thresholds.

GENERAL INFORMATION

Termination of the Advisory Relationship for Separately Managed Accounts: A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded.

Liquidity of the Private Investment Fund: Please refer to the Private Investment Fund's Offering Memorandum for a complete discussion of all fees and expenses related to the Private Investment Fund.

Additional Fees and Expenses: In addition to advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

ERISA Accounts: Saddle Peak Asset Management, LLC is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, the firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Saddle Peak Asset Management, LLC may only charge fees for investment advice about products for which the firm and/or the firm's related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which the firm and/or the firm's related persons receive commissions or

12b-1 fees, however, only when such fees are used to offset Saddle Peak Asset Management, LLC's advisory fees.

Advisory Fees in General: In accordance with CCR Section 260.238(j), clients should note that lower fees for comparable services may be available from other sources.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of \$1200 more than six months in advance of services rendered.

Item 6 Performance-Based Fees and Side-By-Side Management

As disclosed in Item 5 of this Brochure, Saddle Peak accepts a performance-based fee from the client. Such a performance-based fee is calculated based on a share of capital gains on or capital appreciation of the assets of the client. To qualify for a performance-based fee arrangement, a client (or Fund investor, as applicable) must either demonstrate a net worth of at least \$2,000,000 or must have at least \$1,000,000 under management immediately after entering into a management agreement with us.

Clients should be aware that performance-based fee arrangements may create an incentive for us to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. In addition since the firm manages the performance-based fee accounts along with separately managed accounts there may arise a conflict with the timing of executing same orders. To ensure fairness of execution, Saddle Peak has incorporated a "random order" procedure using Microsoft Excel to randomize the order of custodians each time there is a similar security order being executed. This greatly diminishes the potential that any one custodian receives preferential treatment.

Item 7 Types of Clients

Saddle Peak Asset Management, LLC provides advisory services to the following types of clients:

- High net worth individuals
- Pension and profit sharing plans (other than plan participants)
- Other pooled investment vehicles (e.g., hedge funds)
- Charitable organizations
- Corporations or other businesses not listed above
- Institutional clients

As previously disclosed in Item 5, the firm has established certain minimum account

requirements to maintain an account, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

METHODS OF ANALYSIS

Private Investment Fund

The Private Investment Fund is a long biased equity fund whose principal investments are U.S. common stocks, options and options on broad-based securities indices. The investment strategy is to acquire positions in undervalued companies where, in the General Partners view, the value of the company's assets and or earnings power are not accurately reflected by the company's current market price. The Adviser has discretion to purchase other types of securities and employ other various securities trading and investment techniques.

Separate Accounts

The Adviser will direct, in the Adviser's sole discretion and without first consulting with the client, the investment and reinvestment of the assets deposited by the client. The Adviser will determine from time to time what portion of the assets of the client shall be invested in securities and other assets and when such investments will be purchased, retained or sold.

The Adviser will use the following methods of analysis in formulating investment advice and/or managing client assets:

Fundamental Analysis. The firm attempts to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is under priced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Risks for all forms of analysis. For both the private investment fund and separately managed accounts our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While the firm is alert to indications that data may be incorrect, there is always a risk that the firm's analysis may be compromised by inaccurate or misleading information. Investing in securities involves risk of loss that *clients* should be prepared to bear.

INVESTMENT STRATEGIES

The firm uses the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriately disclosed to the client and that they fully understand the Adviser's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases. The firm purchases securities with the idea of holding them in the client's account for a year or longer. Typically the firm will employ this strategy when:

- the firm believes the securities to be currently undervalued, and/or
- the firm wants exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases. When utilizing this strategy, the firm purchases securities with the idea of selling them within a relatively short time (typically a year or less). The firm will do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

Trading. The firm purchases securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings.

Options. The firm purchases long dated option call contracts when believed that the securities are currently undervalued. As well the firm purchases short term dated put contracts when the firm believes the securities are over-valued or want industry or market protection for a decline in the market.

Short sales. Even though the firm has never short sale any stock the firm does have the option to borrow shares of a stock for your portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, the firm will buy the same stock and return the shares to the original owner. The firm engages in short selling based on the firm's determination that the stock will go down in price after we have borrowed the shares. If the firm are correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit.

Margin transactions. Although rarely done, the firm reserves the right to purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash, and allows the

firm to purchase stock without selling other holdings.

Risk of Loss. Securities investments are not guaranteed and you may lose money on your investments. The firm asks that you work with them to help us understand your tolerance for risk.

Item 9 Disciplinary Information

Saddle Peak Asset Management, LLC are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

The firm and management personnel have no disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Saddle Peak Asset Management, LLC is the General Partner of a private investment fund.

The private investment fund is referred to as the Long Opportunistic Fund and is only offered on a private placement basis to accredited or qualified investors. As discussed in Items 5 and 6, Saddle Peak Asset Management, LLC may earn both a management fee and a performance-based incentive fee on the private investment fund.

The firm and its related persons are not engaged in other financial industry activities and have no other industry affiliations.

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Transactions

Potential conflicts of interest may arise in connection with securities transactions for the account of the private investment fund as well as with advisory clients and/or with principals of the Adviser. Principals of the Adviser's have ownership interests in the private investment fund in addition to the Adviser serving as the General Partner.

The Adviser may combine or "bunch" orders on behalf of the private investment fund along with orders for other advisory clients over whom the Adviser exercises trading authority and allocate the securities or proceeds arising out of that transaction equitably among the private investment fund and the advisory clients. In addition the Adviser executes orders using a randomization method between the private investment fund and advisory clients so there is no unfair advantage between one or the other.

Associated persons may own an interest in or buy or sell for their own accounts the same securities, which may be purchased or sold in the accounts of the private investment fund and/or advisory clients. Associated persons seek to ensure that they do not personally benefit from the short-term market effects of their recommendations to the private investment fund or advisory clients.

Associated persons may also buy or sell a specific security for their own account based on personal investment considerations, which the Adviser does not deem appropriate to buy or sell for the private investment fund and/or advisory clients. Personal transactions of associated persons are regularly monitored.

Code of Ethics

Saddle Peak Asset Management, LLC has adopted a Code of Ethics which sets forth high ethical standards of business conduct that the firm requires of our employees, including compliance with applicable federal securities laws.

Saddle Peak Asset Management, LLC and its personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

The firm's Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in addition to limited offering (e.g., private placement) or an initial public offering. The firm's code also provides for oversight, enforcement and record keeping provisions.

Saddle Peak Asset Management, LLC's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While the firm does not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to the firm's advisory clients and prospective clients. You may request a copy by email sent to rnakama@saddlepeakam.com, or by calling 310-656-7635.

Saddle Peak Asset Management, LLC and individuals associated with the firm are prohibited from engaging in agency cross transactions.

Saddle Peak Asset Management, LLC's Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

The firm and/or individuals associated with the firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies)