

Arete, Ltd.

d/b/a Sky Peak Capital Management

Firm Brochure - Form ADV Part 2A

This brochure provides information about the qualifications and business practices of Arete, Ltd.. d/b/a Sky Peak Capital Management. If you have any questions about the contents of this brochure, please contact us at (877) 378-3219 or by email at: info@skypeakcm.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 Arete, Ltd. is also available on the SEC's website at www.adviserinfo.sec.gov. Arete, Ltd.'s CRD number is: 165797

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Registration does not imply a certain level of skill or training.

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Item 2: Material Changes

Arete, Ltd. has not yet filed an annual updating amendment using the Form ADV Part 2A. Therefore there are no material changes to report.

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Item 4: Advisory Business

A. Description of the Advisory Firm

Arete, Ltd. is a Corporation organized in the state of Wyoming. The firm was formed in September of 2012, and the principal owner is Gary C. Snisky.

B. Types of Advisory Services

Arete, Ltd. (hereinafter "SPCM") offers the following services to advisory clients:

Investment Supervisory Services

SPCM will predominantly offer ongoing portfolio management services to private funds and separately managed accounts. The services will be based on the goals, objectives, time horizon, and risk tolerance of each client. SPCM creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan to aid in the selection of a portfolio that matches each client's specific situation. Investment Supervisory Services include, but are not limited to, the following:

- | | |
|-----------------------|--------------------------------|
| • Investment strategy | • Personal investment policy |
| • Asset allocation | • Asset selection |
| • Risk tolerance | • Regular portfolio monitoring |

SPCM evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. SPCM will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

Performance-based Fees

The private funds and qualified investors may be charged performance fees based on net profits above a high water mark.

Services Limited to Specific Types of Investments

SPCM generally limits its money management to bonds, fixed income, real estate, insurance products including annuities, private placements, and government securities. SPCM may use other securities as well to help diversify a portfolio when applicable.

C. Client Tailored Services and Client Imposed Restrictions

SPCM offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may not impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

D. Wrap Fee Programs

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. SPCM does not participate in any wrap fee programs.

E. Amounts Under Management

SPCM is a newly formed investment advisory firm, as such; there are currently no assets under management.

Item 5: Fees and Compensation

A. Fee Schedule

Investment Supervisory Services Fees

Total Assets Under Management	Annual Fee
All Assets Under Management	2.50%

These fees are negotiable depending upon the needs of the client and complexity of the situation, and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Fees are paid monthly in advance, and clients may terminate their contracts with twenty nine days' written notice. Advisory fees are withdrawn directly from the client's accounts with client written authorization.

Refunds are given on a prorated basis, based on the number of days remaining in a month at the point of termination. Fees that are collected in advance will be refunded based on the prorated amount of work completed up to the day of termination within the month terminated. The fee refunded will be the balance of the fees collected in advance minus the daily rate* times the number of days in the month up to and including the day of termination. (*The daily rate is calculated by dividing the quarterly AUM fee by the number of days in the termination quarter). Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory contract.

Performance-based Fees

Private funds and qualified investors are charged an asset based management fee of 2.50% on all assets under management and a performance-based fee of 20% of net profits above a high water mark. Performance fees are paid quarterly in arrears, and clients may terminate their contracts with thirty days' written notice.

B. Payment of Fees

Payment of Investment Supervisory Fees

Advisory fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid monthly in advance. Advisory fees may also be invoiced and billed directly to the client monthly in advance. Clients may select the method in which they are billed.

Payment of Performance-based Fees

Performance-based fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid quarterly in arrears.

C. Clients Are Responsible For Third Party Fees

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by SPCM. Please see Item 12 of this brochure regarding broker/custodian.

D. Prepayment of Fees

SPCM collects fees in advance and in arrears. Fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. Fees will be deposited back into client's account within fourteen days.

The fee refunded will be the balance of the fees collected in advance minus the daily rate* times the number of days in the quarter up to and including the day of termination. (*The daily rate is calculated by dividing the quarterly AUM fee by the number of days in the termination quarter).

E. Outside Compensation For the Sale of Securities to Clients

Neither SPCM nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds.

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

Private funds and qualified investors are charged an asset based management fee of 2.50% on all assets under management and a performance-based fee of 20% of net profits above a high water mark. Fees are paid quarterly in arrears, and clients may terminate their contracts with thirty days' written notice.

SPCM manages accounts that are billed on performance-based fees (a share of capital gains on or capital appreciation of the assets of a client) as well as accounts that are NOT billed on performance-based fees. Managing both kinds of accounts at the same time presents a conflict of interest because SPCM or its supervised persons have an incentive to favor accounts for which SPCM and its supervised persons receive a performance-based fee. SPCM addresses the conflicts by ensuring that clients who have performance-based accounts do not receive preferential treatment. SPCM provides best execution practices and upholds its fiduciary duty for all clients.

Clients that are paying a performance-based fee should be aware that investment advisors have an incentive to invest in riskier investments when paid a performance-based fee due to the higher risk/higher reward attributes.

Item 7: Types of Clients

SPCM generally provides management supervisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Pooled Investment Vehicles

Minimum Account Size

There is no account minimum.

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

A. Methods of Analysis and Investment Strategies

Methods of Analysis

SPCM's methods of analysis include charting analysis, fundamental analysis, technical analysis, and cyclical analysis.

Charting analysis involves the use of patterns in performance charts. SPCM uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Technical analysis involves the analysis of past market data; primarily price and volume.

Cyclical analysis involved the analysis of business cycles to find favorable conditions for buying and/or selling a security.

Investment Strategies

SPCM uses long term trading, short term trading, short sales, margin transactions, and options writing (including covered options, uncovered options, or spreading strategies).

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

B. Material Risks Involved

Methods of Analysis

Charting analysis strategy involves using and comparing various charts to predict long and short term performance or market trends. The risk involved in solely using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.

Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold : 1) the markets do not always repeat cyclical patterns and 2) if too many investors begin to implement this strategy, it changes the very cycles they are trying to take advantage of.

Investment Strategies

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Short term trading, short sales, margin transactions, and options writing generally hold greater risk and clients should be aware that there is a material risk of loss using any of those strategies.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

C. Risks of Specific Securities Utilized

SPCM generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets. However, it will utilize short sales, margin transactions, and options writing. Short sales, margin transactions, and options writing generally hold greater risk of capital loss and clients should be aware that there is a material risk of loss using any of those strategies.

Treasury Inflation Protected/Inflation Linked Bonds: The Risk of default on these bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal.

Fixed Income is an investment that guarantees fixed periodic payments in the future that may involve economic risks such as inflationary risk, interest rate risk, default risk, repayment of principal risk, etc.

Real Estate funds face several kinds of risk that are inherent in this sector of the market. Liquidity risk, market risk and interest rate risk are just some of the factors that can influence the gain or loss that is passed on to the investor. Liquidity and market risk tend to have a greater effect on funds that are more growth-oriented, as the sale of appreciated properties depends upon market demand. Conversely, interest rate risk impacts the amount of dividend income that is paid by income-oriented funds.

Private placements carry a substantial risk as they are largely unregulated offerings not subject to securities laws.

Precious Metal ETFs (Gold, Silver, Palladium Bullion backed “electronic shares” not physical metal): Investing in precious metal ETFs carries the risk of capital loss.

Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various other types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Short term trading risks include liquidity, economic stability and inflation.

Short sales risks include the upward trend of the market and the infinite possibility of loss.

Margin transactions use leverage that is borrowed from a brokerage firm as collateral.

Options writing involve a contract to purchase a security at a given price, not necessarily at market value, depending on the market.

Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There are no criminal or civil actions to report.

B. Administrative Proceedings

There are no administrative proceedings to report.

C. Self-regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

Neither SPCM nor its representatives are registered as or have pending applications to become a broker/dealer or as representatives of a broker/dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither SPCM nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Neither SPCM nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

SPCM does not utilize nor select other advisers or third party managers. All assets are managed by SPCM management.

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

A. Code of Ethics

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Our Code of Ethics is available free upon request to any client or prospective client.

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B. Recommendations Involving Material Financial Interests

SPCM does not recommend that clients buy or sell any security in which a related person to SPCM or SPCM has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of SPCM may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of SPCM to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. SPCM will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

D. Trading Securities At/Around the Same Time as Clients' Securities

From time to time, representatives of SPCM may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of SPCM to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. SPCM will always transact client's transactions before its own when similar securities are being bought or sold.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

The Custodians, Summit Trust and Prime Brokerage Company, were chosen based on their relatively low transaction fees and access to mutual funds and ETFs. SPCM will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

1. Research and Other Soft-Dollar Benefits

SPCM receives no research, product, or services other than execution from a broker-dealer or third-party in connection with client securities transactions ("soft dollar benefits").

2. Brokerage for Client Referrals

SPCM receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. Clients Directing Which Broker/Dealer/Custodian to Use

SPCM allows clients to direct brokerage; however, SPCM may recommend custodians. SPCM may be unable to achieve most favorable execution of client transactions if clients choose to direct brokerage. This may cost clients money because without the ability to direct brokerage SPCM may not be able to aggregate orders to reduce transactions costs resulting in higher brokerage commissions and less favorable prices. Not all investment advisers allow their clients to direct brokerage.

B. Aggregating (Block) Trading for Multiple Client Accounts

SPCM maintains the ability to block trade purchases across accounts. Block trading may benefit a large group of clients by providing SPCM the ability to purchase larger blocks resulting in smaller transaction costs to the client. Declining to block trade can cause more expensive trades for clients.

Item 13: Reviews of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

Client accounts are reviewed at least quarterly only by Gary C. Snisky, President. Gary C. Snisky is the chief advisor and is instructed to review clients' accounts with regard to clients' respective investment policies and risk tolerance levels. All accounts at SPCM are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Gary C. Snisky, President. There is only one level of review and that is the total review conducted to create the financial plan.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

C. Content and Frequency of Regular Reports Provided to Clients

Reports will come from Prime Brokerage Company for the Fund, Sky Peak, and statements will come from Summit Trust to the investors. Each client will receive at least quarterly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

SPCM does not receive any economic benefit, directly or indirectly from any third party for advice rendered to SPCM clients.

B. Compensation to Non - Advisory Personnel for Client Referrals

SPCM may compensate non-advisory personnel for client referrals and sales and marketing. Clients will never be charged a higher fee due to the referral arrangement.

Item 15: Custody

SPCM, with client written authority, has limited custody of client's assets through direct fee deduction of SPCM's fees only. If the client chooses to be billed directly by Summit Trust and Prime Brokerage Company, SPCM would have constructive custody over that account and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

Item 16: Investment Discretion

For those client accounts where SPCM will have investment discretion, the client has given SPCM written discretionary authority over the client's accounts with respect to securities to be bought or sold and the amount of securities to be bought or sold. Details of this relationship are fully disclosed to the client before any advisory relationship has commenced. The client provides SPCM discretionary authority via a discretionary investment management clause in the Investment Advisory Contract and/or a limited power of attorney clause in the contract between the client and the custodian.

Item 17: Voting Client Securities (Proxy Voting)

SPCM will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 18: Financial Information

A. Balance Sheet

SPCM does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither SPCM nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

SPCM has not been the subject of a bankruptcy petition in the last ten years.