



Part 2A of Form ADV: *Firm Brochure*

Peak Asset Management, LLC

1371 E. Helca Drive, Suite A
Louisville, Colorado 80027

Telephone: 303-926-0100
Email: peakam@peakam.com
Web Address: www.peakam.com

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This brochure provides information about the qualifications and business practices of Peak Asset Management, LLC. If you have any questions about the contents of this brochure, please contact us at 303-926-0100 or peakam@peakam.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 Peak Asset Management, LLC also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 106944. Registration with the SEC or with a state securities authority does not imply a certain level of skill or training.

Item 2 Material Changes

This Brochure, dated March 27, 2014, represents the annual updating amendment to the previously published annual update Brochure for Peak Asset Management, LLC.

Since the filing of the firm's last annual update Brochure on April 1, 2013, we have added detail about retirement plan services that we now provide. We have also made various minor updates, but no other material changes were made to the Brochure.

Pursuant to SEC Rules, we will deliver to you a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our fiscal year. We may further provide other ongoing disclosure information about material changes as necessary. All such information will be provided to you free of charge.

Currently, our Brochure may be requested by contacting us at (303) 926-0100.

Additional information about Peak Asset Management, LLC is also available via the SEC's web site www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons who are registered as investment adviser representatives of the firm.

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Item 4 Advisory Business

Peak Asset Management, LLC (Peak) is a SEC-registered investment adviser with its principal place of business located in Colorado. Peak began conducting business in 1994.

Listed below are the firm's managers and owners:

- Terrance William Hefty (Manager and beneficial owner through Bart Partners, LP, CRD No. 2766094)
- Noel Fletcher Bennett (Manager and direct owner, CRD No. 4359632)
- John Neal McCorvie Jr., CFA (Manager and direct owner, CRD No. 1509677)
- John Joseph Glasman, CFA, CPA, CFP (Manager and beneficial owner through Gilpin Partners, Inc., CRD No. 2323660)
- Tara Jill Hume, CFA (Manager and beneficial owner through Tara J. Hume Financial Consulting, LLC, CRD No. 5469036)
- Terry L. Robinette (Manager, CRD No. 4355257)

Peak offers the following advisory services to our clients:

1) Individual Portfolio Management

Peak primarily provides portfolio management to accounts belonging to individuals and high net worth individuals based on their specific needs. During our data-gathering process, we determine each client's individual investment objectives, goals, time horizons, risk tolerances, constraints, restrictions, and liquidity needs as well as any legal or regulatory constraints. As appropriate, we may also review and discuss a client's prior investment history, as well as family composition and background. From this information, we develop a custom investment policy statement (IPS) with the client that we use to create and manage their portfolio.

The large majority of the assets that we manage are on a discretionary basis (within the parameters established in the respective client's IPS), but we do manage some non-discretionary accounts as well.

Since we are an independent registered investment advisor, our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. Although Peak does not limit management to specific types of securities, we will only use types of investment we feel are consistent with client's objectives, tolerance for risk, liquidity, etc. In addition, clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors in their IPS. Peak will review with clients their IPS as needed or periodically.

Once the client's portfolio has been established, we review the portfolio on an ongoing

basis, and if necessary, make appropriate changes based on the client's IPS. Client meetings are available on a periodic basis, or as requested by the client, to review the account.

2) eWealthManager Platform

As an alternative to our Individual Portfolio Management service, Peak also offers management services to clients via AssetMark's eWealthManager platform. The platform features investment management solutions from a range of institutional portfolio strategists. The portfolio strategists on the platform are charged with creating various asset allocation models of various objectives and risk levels. Peak only utilizes the no-load mutual fund and exchange traded fund model options provided by the strategists within the platform.

Based on the client's individual circumstances and needs (as detailed in the client's Investment Policy Statement) Peak selects on a discretionary basis the portfolio strategists and which asset allocation model the firm feels is appropriate for that client. Factors considered in making this selection include account size, risk tolerance, the opinion of each client and the investment philosophy of the selected portfolio strategist. Clients should refer to the portfolio strategist's Firm Brochure or other disclosure documents for a full description of the services offered by each strategist.

3) Retirement Plan Services

Peak makes available on a discretionary and non-discretionary basis management services to assist businesses with administration of their participant directed defined contribution retirement plans. The scope of a retirement plan engagement, which may include selecting of investment options, monitoring of these options, and any performance reporting to the plan, is negotiated on a case by case basis in advance and agreed upon contractually.

4) Financial Planning (Note: this is a complimentary service to our portfolio management services. We do not offer financial planning as a standalone service).

We offer financial planning services to our clients to help form a more accurate picture of their financial goals, objectives and constraints. Financial planning is an evaluation of a client's current and future financial state in relation to the client's current life and future goals or vision. There is no additional fee for this service beyond our Portfolio Management Services Fee.

In general, the financial plan can address any or all of the following areas:

- Personal Goals, Objectives and Constraints;
- Income and Expenses;
- Investments and Debt;

- Retirement Planning;
- Risk Management (example: Insurance);
- Tax Planning; and
- Estate Planning.

We gather required information through personal interviews and reviews of appropriate documents. We strive to facilitate solutions in areas outside of our expertise by consulting with appropriate professionals.

5) Newsletters

Peak publishes a quarterly newsletter, *Financial Intelligence*, that provides general information on various financial topics including, but not limited to, financial planning (such as estate planning or retirement planning), economic trends, etc... The information provided is intended to be educational in nature and does not include specific investment or planning recommendations to meet the objectives or needs of any specific individual. *Financial Intelligence* is distributed free of charge to our advisory clients (as well as to prospective clients, business contacts, friends and relatives).

Peak also distributes a general *client letter* with our quarterly account reports to clients that is intended to provide insight regarding our perspective on the financial markets and economic events. This *client letter* is distributed free of charge to our advisory clients (as well as to prospective clients, business contacts, friends and relatives).

Amount of Managed Assets:

As of 12/31/2013, the firm was actively managing approximately \$326,400,000 of client assets. Approximately \$299,700,000 was managed for individuals and \$2,700,000 was managed for retirement plans on a discretionary basis, plus approximately \$24,000,000 was managed for individuals on a non-discretionary basis.

Item 5 Fees and Compensation

Individual Portfolio Management Fees:

Peak is a fee-only investment advisor. Peak does not receive or otherwise participate in any commissions or fees related to our client's securities transactions. The only fee payments that we receive are directly from our clients for our Portfolio Management Services.

The annualized fee for Portfolio Management Services is charged as a percentage of assets under management, according to the following schedule:

<u>Assets under Management</u>	<u>Annual Fee</u>
First \$500,000	1.25%
Next \$500,000	1.00%
Next \$1,500,000	0.75%
Over \$2,500,000	0.50%

One-fourth of the annual fee is invoiced quarterly, either 1) at the end of the quarter in arrears based on the account value as of the last day of the quarter, or 2) in the middle of each quarter based on the account value as of the last day of the first month of the quarter, one half in arrears and one half in advance. All fees are charged on a pro rata basis, based on the actual number of days under management during the quarter. The client may pay the quarterly fee invoice by check or may authorize their account's custodian to pay Peak out of their account upon instructions from Peak.

Limited Negotiability of Advisory Fees: Although Peak has established the aforementioned fee schedule, we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client assets to be placed under management; anticipated future additional assets; related accounts; portfolio style, account composition and requested reporting, among other factors. The specific annual fee schedule is identified in the contract between Peak and each client.

Peak has a minimum target client relationship size of \$1 million. We will negotiate and allow a lower minimum as we feel appropriate. We may group certain related client accounts for the purposes of achieving the minimum relationship size and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

eWealthManager Platform:

For client accounts participating in the eWealthManager Platform (Platform), the following fee schedule represents the combination of Peak's fee (as outlined in the "Individual Portfolio Management Fees" section) along with the eWealthManager Platform fees. The following fee schedule represents the total maximum fees charged to clients participating in the Platform, but does not include "Other Fees and Expenses" detailed below.

<u>Assets under Management</u>	<u>Annual Fee</u>
First \$1,000,000	1.95%
Next \$1,500,000	1.65%
Over \$2,500,000	1.30%

For accounts under the eWealthManager Platform, one-fourth of the annual fee is invoiced quarterly in advance based on an average daily value of the account in the prior quarter. If a client transfers assets into their account during the middle of a quarter,

those new assets will affect the average daily value of the account.

All fees for accounts in the Platform are deducted directly from the account.

Retirement Plan Services Fees:

Retirement Plan Services fees are generally charged as an asset based fee and are negotiable based on level of service and other factors. The annualized fee for Retirement Plan Services is generally based on the following schedule:

<u>Assets under Management</u>	<u>Annual Fee</u>
First \$5,000,000	0.50%
Next \$10,000,000	0.40%
Over \$15,000,000	0.30%

Advisory fees may be paid directly by the plan sponsor or paid from the plan assets. The amount payable each quarter is calculated as 25% of the annual fee, is charged in arrears at the end of each calendar quarter, and is based upon the total market value of the Plan as of the last business day of the quarter. Fees for partial quarters will be due according to the terms of the client agreement.

General Information:

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. Clients that are invoiced in the middle of each quarter, partially in advance, may obtain a refund of any pre-paid advisory fees on a pro-rated basis if they close their account before the end of the billing period. The amount of any refund is calculated by taking the number of days left in the quarter divided by the total number of days in the quarter and multiplying that by the amount of the quarterly advisory fee that was billed and received by Peak. For example, if a client terminates our services as of the 60th day of a 90-day quarter and total advisory fees billed and received by Peak for the quarter were \$1,000, the client would receive a refund of \$333.33 based on the formula 30 days / 90 days * \$1,000. If such a client, however, terminated our services in the first half of the quarter, the client would be billed in arrears on a pro rata basis for the actual number of days the account was under Peak's management during the quarter. For accounts under the eWealthManager Platform, one-fourth of the annual fee is invoiced quarterly in advance based on an average daily value of the account in the prior quarter. If a client cancels the advisory relationship in the middle of the quarter, the client will receive a refund for any and all management fees charged in advance for the time remaining in the quarter not covered by an advisory relationship.

eWealthManager Platform (Platform) Fees: Clients participating in the

eWealthManager Platform may be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the Portfolio Strategist advisory fees, custodial fees, and transaction fees.

Mutual Fund and Exchange Traded Fund (ETF) Fees: All fees paid to Peak for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus and generally include an investment advisory fee paid to third-party investment advisers that are not affiliated with Peak, other fund expenses, and a possible distribution fee. Consequently, clients with investments in these types of securities may be subject to two layers of advisory fees, and in the case of clients invested in the eWealthManager Platform, three and potentially four layers of advisory fees. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review all fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Other Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians, broker-dealers, and other third parties used in the management of the client's account. Such fees and expenses may include custodial fees, brokerage commissions, prime brokerage fees, transaction fees, redemption fees, bank service fees, interest on loans and debit balances, wire transfer and electronic fund transfer fees, interest on margin accounts, borrowing charges on securities sold short, and any other fees and taxes on brokerage accounts and securities transactions. Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information regarding brokerage that may be relevant to this discussion of fees.

ERISA Accounts: Peak may be deemed to be a fiduciary to 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, our firm would be subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar, higher or lower fees.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered.

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

Peak does not currently have any performance-based fee arrangements with clients, which are fees based on a share of capital gains on or capital appreciation of the assets of a client's account. But as noted above, we keep open the option to negotiate fees. Performance-based fee arrangements will only be negotiated with clients that meet the qualified client standard of Rule 205-3 under the Investment Advisers Act of 1940. Clients should be aware that this type of fee arrangement may create an incentive for Peak to make more speculative investments for such clients or increase Peak's focus on short-term profits, rather than focusing on long-term capital appreciation, which could expose such clients to additional levels of risk than would exist if such a fee structure were not in place. All clients should also be aware that because of the nature of performance-based fee arrangements, Peak has an incentive to favor client accounts with performance-based fee arrangements, in terms of the allocation of investment opportunities and time spent managing such accounts, over accounts with only asset-based fee arrangements because of the ability to earn substantially higher fees from such accounts.

Item 7 Types of Clients

Peak provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals),
- High net worth individuals,
- Pension and profit sharing plans,
- Trusts and Foundations, and
- Corporations or other businesses or entities not listed above.

Peak has a minimum target client relationship size of \$1 million. We will negotiate and allow a lower minimum as we feel appropriate. We may group certain related client accounts for the purposes of achieving the minimum relationship size and determining the annualized fee.

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

Methods of Analysis:

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Fundamental Analysis. We attempt 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 underpriced (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.

Technical Analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Qualitative Analysis. We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data.

A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

Asset Allocation. We attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp share price increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Mutual Fund and/or ETF Analysis. We look at the experience and track record of the manager of the mutual fund or exchange traded fund (ETF) in an attempt to determine if that manager has demonstrated an ability to invest successfully over a period of time and in different economic conditions. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

eWealthManager Platform Strategist Analysis. We examine the experience, expertise, investment philosophies, and past performance of independent third-party investment strategists in an attempt to determine if that strategist has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the strategists' underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the strategists' compliance and business enterprise risks.

A risk of investing with a third-party strategist who has been successful in the past is that they may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a third-party strategists' portfolios, there is also a risk that a strategist may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the strategists' daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Risks for all forms of analysis. 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 we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Investment Strategies:

Peak is generally a long-term oriented investment manager. We primarily provide two different types of portfolio management strategies, one based on individual security selection and the other based on allocating and diversifying assets across mutual funds and exchange traded funds (ETF).

Accounts managed according to our individual security selection strategy are diversified and generally consist of allocations to stocks, bonds, and cash or cash equivalents, which can include money market funds and/or Treasury bills. In selecting stocks, we follow a contrarian or "out-of-favor" approach that seeks to take advantage of short-term fluctuations in the stock market. Individual security portfolios generally include approximately twenty-one stocks that meet our value criteria with a three-to-five year investment time horizon. However, we may purchase securities with the idea of selling them within a relatively short time, typically one year or less, if we believe that we can take advantage of conditions that will soon result in a price swing. Fixed income investments held in such accounts are generally selected based on financial quality, current yield, and total return characteristics, with maturities selected based on specific time objectives. Finally, cash and cash equivalents are selected based on their relative safety, liquidity, and current yield.

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 assumptions are incorrect, a security may decline sharply in value before we make the decision to sell.

Accounts managed according to our mutual fund and ETF strategy are generally diversified across various asset classes which may include U.S. large-capitalization stocks, U.S. mid-capitalization stocks, U.S. small-capitalization stocks, International large-capitalization stocks, commodities, fixed income, and cash equivalents based on the asset allocation recommended in the client's IPS. We monitor the allocation levels and rebalance portfolios when material shifts in the allocation levels occur.

In addition to our two primary portfolio management strategies, Peak may offer clients a strategy that combines the individual security selection and mutual fund/ETF strategies, or other strategies customized to the client's investment needs and objectives. Under the appropriate circumstances, Peak may also recommend the use of margin, short sales, option transactions, and short-term trading in the management of client accounts. All investments in securities involve risk of loss that clients should be prepared to bear.

Item 9 Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to the evaluation of the firm or the integrity of management. There are no legal or disciplinary events relating to Peak or our management personnel that are or would be material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Item 10 Other Financial Industry Activities and Affiliations

In 2012, Peak accepted clients from another investment adviser, HCM Investors, Inc. (CRD No. 106730), which is primarily owned by Katherine Spines (CRD No. 4355254). As a result of the transfer of clients to Peak, Peak compensates HCM Investors, Inc. for all ongoing client relationships that resulted from clients transferring from HCM Investors, Inc. to Peak. This compensation is based on a percentage of management fees collected and will continue for a fixed period of time. Peak did not increase the management fee charged to the transferred clients above our normal fees in order to compensate HCM Investors, Inc. Ms. Spines also participates in Peak's investment committee meetings to discuss investment strategies and current events. Ms. Spines participation on Peak's investment committee creates a potential conflict of interest in that stock ideas and other investment recommendations generated by Peak for its clients may be used by Ms. Spines in the management of HCM Investors, Inc.'s clients or used in a manner that could possibly be detrimental to Peak's clients.

Peak previously participated in TD Ameritrade's Advisor Direct program and continues to compensate TD Ameritrade for all ongoing client relationships that resulted from referrals from TD Ameritrade under the Advisors Direct program. This compensation is based on a percentage of management fees collected and will continue for the duration of the respective client relationship.

We currently work with AssetMark, Inc.'s eWealthManager Platform (formerly known as the Genworth eWealthManager Platform). Our use of only one third-party investment management platform may limit our ability to select an appropriate strategist that may potentially be available through other relationships. We limit our participation in the platform to no-load mutual fund and/or exchange traded fund models created by the strategists. This limitation excludes other investments options that may be available and appropriate to clients.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including provisions that we:

- Comply with applicable federal securities laws;
- Act with integrity, competence, dignity, and in an ethical manner when dealing with the public, clients, prospective clients, employers, and fellow advisors;
- Practice and encourage others to practice in a professional and ethical manner that will reflect credit on investment advisors and their profession;
- Strive to maintain and improve our competence and the competence of others in the profession; and
- Use reasonable care and exercise independent professional judgment while pursuing our fiduciary duties.

Peak Asset Management and our 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.

Our 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 by Peak personnel in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Peak's Code of Ethics also prohibits the use of material non-public information. While we do 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.

Our 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.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by sending an email to peakam@peakam.com, or by calling us at 303-926-0100/800-298-9081.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical or related to those recommended to our clients at or close in time to transactions placed on behalf of clients. In addition, Peak and/or its related person(s) may have an interest or position in a certain security(ies), which may also be recommended to a client. This may create potential conflicts of interest because (1) Peak or its related persons may have an incentive not to recommend the sale of those securities to clients in order to protect the value of their personal investment, and (2)

Peak or its related persons may have an incentive to place their orders before those of clients in order to obtain a better price.

It is the expressed policy of our firm that no person employed by us may knowingly purchase or sell any security immediately prior to a transaction(s) being implemented for an advisory account (i.e., “front running”). This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.

Item 12 Brokerage Practices

Peak's clients primarily work with either TD Ameritrade or Charles Schwab as custodian/broker, though depending on practical constraints we are open to working with other firms as custodians/brokers for client accounts. Those wishing Peak to recommend a broker will get a recommendation based on the broker's costs, skills, reputation, dependability and compatibility with the client (please note potential conflicts of interest outlined below).

Peak participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. (“TD Ameritrade”) member FINRA/SIPC. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Peak receives some benefits from TD Ameritrade through its participation in the program. Peak may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between Peak's participation in the program and the investment advice it gives to its Clients, although Peak receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include: receipt of duplicate client statements and confirmations; access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Peak by third party vendors. Some of the products and services made available by TD Ameritrade through the program may benefit Peak but may not benefit its client accounts. These products or services may assist Peak in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Peak manage and further develop its business enterprise. The benefits received by Peak or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Peak endeavors at all times to put the interests of its clients first. Clients should

be aware, however, that the receipt of economic benefits by Peak or its related persons from TD Ameritrade in and of itself creates a potential conflict of interest and may influence our decision to recommend TD Ameritrade's custody and brokerage services to clients.

Peak Asset Management, LLC also participates in the Schwab Institutional program. Schwab Institutional is a division of Charles Schwab & Co., Inc. ("Charles Schwab") member FINRA/SIPC. Charles Schwab is an independent and unaffiliated SEC-registered broker-dealer and FINRA member. Charles Schwab offers services which include custody of securities, trade execution, clearance and settlement of transactions. Peak receives some benefits from Charles Schwab through its participation in the program. Peak may recommend Charles Schwab to clients for custody and brokerage services. There is no direct link between Peak's participation in the program and the investment advice it gives to its clients, although Peak receives economic benefits through its participation in the program that are typically not available to Charles Schwab's retail investors. These benefits include: receipt of duplicate client statements and confirmations; access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Peak by third party vendors. The benefits received by Peak or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to Charles Schwab. As part of its fiduciary duties to clients, Peak endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Peak or its related persons from Charles Schwab in and of itself creates a potential conflict of interest and may influence our decision to recommend Charles Schwab's custody and brokerage services to clients.

Block Trades:

Peak Asset Management may aggregate or block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts. In these instances clients participating in any block transaction will receive an average share price.

Transactions for Peak and its employees and principals are not aggregated with client transactions but are traded separately from and after client transactions.

As a matter of policy, Peak's allocation procedures must be fair and equitable to all clients with no particular group of client(s) being favored or disfavored over any other clients.

It is important to note that non-discretionary accounts may be treated differently than discretionary accounts when executing a block trade due to the particular

communication requirements of non-discretionary accounts.

Prime Brokerage Trades:

In general, listed stocks and mutual funds are purchased directly through the custodian of the respective client account. If the client has established a prime brokerage agreement with the custodian authorizing the use of other broker/dealers and the subsequent settlement of security transactions through the custodian, Peak may choose a broker/dealer that we believe offers the best value to the client.

Item 13 Review of Accounts

1) INDIVIDUAL PORTFOLIO MANAGEMENT

REVIEWS: While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. Client activity in Individual Portfolio Management Services accounts are reviewed by the operations department (Debbie Harper or Angela Dwinal) or a portfolio manager (Noel Bennett, John McCorvie, Joe Glasman, Tara Hume, or Terry Robinette). Investment management strategy is reviewed on an ongoing basis by a portfolio manager and/or our investment advisory committee (Terry Hefty, Noel Bennett, John McCorvie, Joe Glasman, Tara Hume, Katherine Spines and Terry Robinette).

REPORTS: In addition to the monthly or quarterly statements and confirmations of transactions that the custodian/broker provides to the client, Peak provides a quarterly statement that includes account performance.

2) eWealthManager Platform

REVIEWS: The performance of the strategists selected to manage asset allocation portfolios for clients within our eWealthManager Platform (Platform) is continually monitored by Peak. Furthermore, accounts within this program are formally reviewed at least quarterly. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

Client activity in Platform accounts are reviewed by the operations department (Debbie Harper or Angela Dwinal) or Joe Glasman, manager. Portfolio management strategy and asset allocation is reviewed on an ongoing basis by Joe Glasman, manager.

REPORTS: Monthly or quarterly statements and confirmations of transactions are provided by the broker-dealer. Additionally, either AssetMark or Peak provides a quarterly statement that includes account performance.

3) RETIREMENT PLAN SERVICES

REVIEWS: Reviews depend on the scope of the relationship and occur as agreed upon contractually.

REPORTS: Reports depend on the scope of the relationship and are provided as agreed upon contractually.

4) FINANCIAL PLANNING SERVICES

REVIEWS: Reviews occur as needed based on initiation by Peak or by the client.

REPORTS: Reports available upon request.

Item 14 Client Referrals and Other Compensation

We previously disclosed in the “Brokerage Practices” section (Item 12) of this Brochure that our firm participates in institutional investment adviser programs offered by Charles Schwab and TD Ameritrade and may, as a result, receive economic benefits from them that relate to our provision of investment advice or advisory services to clients.

CLIENT REFERRALS

Our firm may pay referral fees to independent persons or firms ("Solicitors") for introducing clients to us. Whenever we pay a referral fee, we require the Solicitor to provide the prospective client with a copy of this document (our *Firm Brochure*) and a separate disclosure statement that includes the following information:

- the Solicitor's name and relationship with our firm;
- the fact that the Solicitor is being paid a referral fee;
- the amount of the fee; and
- the fact that we do not increase the management fee charged to the referred client above our normal fees in order to compensate the Solicitor.

As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral.

We previously disclosed in the “Other Financial Industry Activities and Affiliations” section (Item 10) of this Brochure that our firm provides ongoing compensation to:

- 1) HCM Investors, Inc. for all ongoing client relationships that resulted from clients transferring from HCM Investors, Inc. to Peak. This compensation is based on a percentage of management fees collected and will continue for a fixed period of time. Peak did not increase the management fee charged to the transferred

clients above our normal fees in order to compensate HCM Investors, Inc.

- 2) TD Ameritrade for all ongoing client relationships that resulted from referrals from TD Ameritrade's Advisor Direct program. This compensation is based on a percentage of management fees collected and will continue for duration of the respective client relationships. Peak did not increase the management fee charged to the transferred clients above our normal fees in order to compensate HCM Investors, Inc.

Item 15 Custody

All client assets are held at an independent qualified custodian, primarily Charles Schwab or TD Ameritrade.

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts (for those clients that authorize the custodian to allow us to).

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we also send account statements directly to our clients on a quarterly basis. We urge our clients to carefully compare the information provided on these statements to the custodial statements to ensure that all account transactions, holdings and values are correct and current.

Item 16 Investment Discretion

Individual Portfolio Management:

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability of our managers to do the following without contacting the client:

- Determine the security to buy or sell; and/or

- Determine the amount of the security to buy or sell.

Clients give us discretionary authority when they sign a discretionary authorization with our firm as well as a Limited Power of Attorney with the client's custodian/broker, and may limit or change/amend this authority by giving us written instructions.

eWealthManager Platform:

As previously disclosed in Item 4 of this brochure, under the eWealthManager Platform we do not "manage" client portfolios in the traditional sense of the definition, rather Peak supervises the asset allocation models and recommendations and activities made by third-party portfolio strategists. Accordingly, clients participating in this platform grant us authority to hire and fire the selected strategists. Clients also give us the authority to select asset allocation models provided by the strategists utilizing no-load mutual funds and/or exchange traded funds.

Clients give us this authority when they sign a discretionary authorization with our firm as well as a Limited Power of Attorney with the AssetMark eWealthManager Platform, and may limit or change/amend these limitations by once again providing us with written instructions.

Retirement Plan Services:

Although Peak does not "manage" participant accounts, Peak does accept relationships where it has discretion to select investment options to be made available in participant directed retirement plans.

Clients give us this authority when they sign a discretionary authorization with our firm and may limit or change/amend these limitations by providing us with written instructions.

Item 17 Voting Client Securities

Peak will vote proxies related to client securities owned by those clients who provide specific designation of authority to Peak through proper documentation to their respective custodian. As a matter of policy and as a fiduciary to our clients, Peak seeks to vote all proxies consistent with the best economic interests of our clients. Peak will provide our proxy voting policy to any existing or prospective client upon request and will provide clients with voting records related to his or her specific account(s) upon request during regular business hours in writing or over the telephone at (303)926-0100/(800) 298-9081.

Clients may revoke Peak's authority to vote proxies on their behalf at any time with appropriate documentation.

Item 18 Financial Information

We do not have any financial commitments that might impair our current or future ability to meet our contractual commitments to clients.

Part 2B of Form ADV: *Brochure Supplement*
Peak Asset Management, LLC Principals

Terry W. Hefty
Noel F. Bennett
John N. McCorvie
J. Joseph Glasman
Tara J. Hume
Terry L. Robinette

Peak Asset Management, LLC

1371 E. Helca Drive, Suite A
Louisville, Colorado 80027

Telephone: 303-926-0100
Email: peakam@peakam.com
Web Address: www.peakam.com

March 27, 2014

This brochure supplement provides information about Peak Asset Management, LLC's principals that supplements Peak Asset Management, LLC's brochure. You should have received a copy of that brochure. Please contact Joseph Glasman, Chief Compliance Officer, if you did not receive Peak Asset Management, LLC's brochure or if you have any questions about the contents of this supplement

Additional information about Peak Asset Management, LLC's principals is available on the SEC's website at www.adviserinfo.sec.gov.

Terry W. Hefty is a principal and beneficial owner of Peak. Born 1946.

Terry was the founding partner of Peak in 1994.

Education: Earned a BBA in 1969 and an MBA in 1972, both from the University of Wisconsin.

Business interests outside of Peak: Terry owns and manages property and participates in venture capital. These activities represent about 25% of his workweek.

Noel F. Bennett is a principal and owner of Peak. Born 1946.

Noel became a partner of Peak in 1999.

Education: Earned a BA in 1969 from the University of Wisconsin.

Business interests outside of Peak: Noel is a limited partner in several family partnerships and is chairman of his family office. These activities represent about 25% of his workweek.

John N. McCorvie, CFA is a principal and owner of Peak. Born 1961.

John became a partner of Peak in 2000.

Education: Graduated from Phillips Academy (Andover) in 1979, earned a BA in 1983 from the University of Vermont, and was awarded the Chartered Financial Analyst (CFA) designation in 1997.

J. Joseph Glasman, CFA, CPA, CFP is a principal and beneficial owner of Peak. Born 1970.

Joe joined Peak as a Manager in 2006 and became a partner in 2007. From 1999 to 2006, Joe was employed by Well Fargo Investments, LLC, most recently as a portfolio manager.

Education: Earned a BA in 1992 from Boston College and an MBA in 1995 from the University of Denver. He was awarded the Chartered Financial Analyst (CFA) designation in 1998 and is a Certified Public Accountant (CPA) and a Certified Financial Planner (CFP).

Business interests outside of Peak: Joe prepares a limited number of tax returns for family members and clients. These activities represent less than 5% of his time annually.

Tara J. Hume, CFA is a principal and beneficial owner of Peak. Born 1976.

Tara joined Peak as a Manager in 2007 and became a partner in 2009. From 2004 to 2007, she was employed by Quist Valuation, most recently as a manager.

Education: Earned a BBA in 1999 from the University of Wisconsin. She was awarded the Chartered Financial Analyst (CFA) designation in 2003.

Terry L. Robinette is a Manager of Peak. Born 1955.

Terry joined Peak as a manager in 2012. From 1996 to 2012 Terry was an owner and manager at HCM Investors, Inc.

Education: Earned BS in 1978 from University of Utah and an MBA from the University of Denver in 1983.

None of Peak's principals have been the subject of any legal or disciplinary event that is or would be material to a client's or prospective client's evaluation of him or her.

To earn a Chartered Financial Analyst charter, you must have four years of qualified investment work experience, become a member of the CFA Institute, pledge to adhere to their Code of Ethics and Standards of Professional Conduct on an annual basis, apply for membership to a local CFA member society, and complete the CFA Program. The CFA Program is organized into three levels, each culminating in a six-hour exam. Completing the program takes most candidates between two and five years (there is no limit to the number of times you can take each exam), but you can take as long as you need to complete the program.

A CPA is a Certified Public Accountant. To obtain a CPA certificate generally requires passing the Uniform CPA Examination. While the exam is the same regardless of where it is taken, every state/jurisdiction has its own set of education and experience requirements that individuals must meet. 80 hours of continuing education are required every two years to maintain an active CPA license in Colorado.

The CFP® designation is granted by the Certified Financial Planner Board of Standards, Inc. (the "Board"). To attain the designation, the candidate must complete the required educational, examination and experience requirements set forth by the Board. Qualifying experience includes work in the area of the delivery of the personal financial planning process to clients, the direct support or supervision of others in the personal financial planning process, or teaching all, or any portion, of the personal financial planning process. CFPs are required to complete 30 hours of continuing professional education in targeted subjects every two years.

Supervision: All of Peak's principals are members of our Investment Committee, which is responsible for monitoring the securities recommendations made to clients by Peak's portfolio managers. J. Joseph Glasman, Chief Compliance Officer, is responsible for supervising the activities of all of Peak's principals with the exception of himself. John N. McCorvie, Manager, is responsible for supervising the activities of Mr. Glasman. Messrs. Glasman and McCorvie can be reached at 303-926-0100. Any questions regarding supervision and monitoring of investment advice and actions may be directed to John N. McCorvie, CFA, Manager, at 303-926-0100 or johnmccorvie@peakam.com.