

**Item 1: Cover Page
Part 2A of Form ADV: Firm Brochure
January 2015**

PEAVINE CAPITAL

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**JENNIFER LAMBERT
MANAGING MEMBER & CHIEF COMPLIANCE OFFICER**

This brochure provides information about the qualifications and business practices of Peavine Capital Management, LLC. If you have any questions about the contents of this brochure, please contact by telephone at (775) 337-3900 or email at jlambert@peavinecapital.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 Peavine Capital Management, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Please note that the use of the term "registered investment adviser" and description of Peavine Capital Management, LLC and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees.

Peavine Capital Management, LLC is required to advise you of any material changes to our Firm Brochure ("Brochure").

Since our last annual amendment filed on February 10, 2014, the following changes have been made:

- As of February 2014, Jennifer Lambert is now our firm's Chief Compliance Officer. She can be reached via email at jlambert@peavinecapital.com.
- We have updated the fee schedule for our Investment Management service in Item 5. Our maximum fee will remain 1.00%. The actual fees assessed client accounts will be outlined in the Investment Management Agreement;
- Mr. Klaich and Mr. Anderson are no longer minority owners of our firm.



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We manage investments for institutional investors, high net worth individuals and other types of clients. Our firm is a Limited Liability Company formed in the State of Nevada. Our firm has been in business as an investment adviser since 2012 and is owned by Kenneth Lambert and Jennifer Lambert.

We specialize in the following services: Investment Management and Investment Consulting. Our assets under management are \$210,000,000 as of December 2014.

Advisory Services We Offer

Investment Management:

We provide institutional style investment management strategies to individuals and small institutional investors. Our common sense investment process emphasizes patience, disciplined exposure to the capital markets and decisive risk management.

Our investment management service emphasizes continuous and regular account supervision. We generally create a portfolio, consisting of index based exchange traded funds (“ETFs”), though from time to time we may own individual stocks or bonds, mutual funds and other public and private securities or investments if client specific circumstances warrant.

The client’s individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Each portfolio will be initially designed to meet a particular investment goal, which we determine to be suitable to the client’s circumstances. Once the appropriate portfolio has been determined, we review the portfolio at least quarterly and if necessary, adjust asset class exposures and tactically rebalance the portfolio based upon the market environment or the client’s individual needs, stated goals and objectives. Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

Our investment management service encompasses asset management as well as providing financial consulting to clients. It is designed to assist clients in meeting their financial goals and ensure their investment strategy is suitable for their circumstances and personal risk tolerance. We conduct at least one, but sometimes more than one meeting (in person if possible, otherwise via telephone conference) with clients in order to understand their current financial situation, existing resources, financial goals, and tolerance for risk. Based on what we learn, we propose an investment strategy to the client.

Investment Consulting:

We provide institutional investment consulting services designed to assist trustees and staff in managing assets in a fiduciary environment. As part of our investment consulting service, we make recommendations on investment strategy, asset allocation, rebalancing strategy, portfolio structure, investment manager hiring and firing, management transition, operations and compliance monitoring, investment manager and custodian due diligence, development of performance guidelines, preparation of investment section of consolidated annual financial report and other appropriate investment communications, research, recommendations regarding investment policies and other applicable duties typically associated with the position of Chief Investment Officer. Our recommendations are prepared after conducting an in-depth analysis of the

client's current investment program, objectives, risk tolerance and political environment. Recommendations may be communicated verbally, in writing, or in presentation to internal staff and/or trustees.

Tailoring of Advisory Services

We offer individualized investment advice to clients utilizing our Investment Management service.

Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account. Restrictions would be limited to our Investment Management service. We do not manage assets through our other services.

Participation in Wrap Fee Programs

We do not offer wrap fee programs.

Regulatory Assets Under Management

As of December 31, 2014, we manage¹ \$202,000,000 on a discretionary basis and \$8,000,000 on a non-discretionary basis.



How We Are Compensated for Our Advisory Services

Investment Management:

The maximum annual fee charged for our Investment Management service will be 1.00%. The fee assessed your account(s) will be outlined in the Investment Management Agreement. Our firm's fees are billed on a pro-rata annualized basis quarterly in advance based on the value of your account on the last day of the previous quarter. Fees will be deducted from your managed account. In rare cases, we will agree to directly bill clients. As part of this process, you understand and acknowledge the following:

- a) Your independent custodian sends statements at least quarterly to you showing the market values for each security included in the Assets and all disbursements in your account including the amount of the advisory fees paid to us;
- b) You provide authorization permitting us to be directly paid by these terms. We send our invoice directly to the custodian; and
- c) If we send a copy of our invoice to you, it will include a legend urging you to compare information provided in our statement with those from the qualified custodian.

¹ Please note that our method for computing the amount of "client assets we manage" can be different from the method for computing "assets under management" required for Item 5.F in Part 1A of Form ADV. However, we have chosen to follow the method outlined for Item 5.F in Part 1A of Form ADV. If we decide to use a different method at a later date to compute "client assets we manage," we must keep documentation describing the method we use and inform you of the change. The amount of assets we manage may be disclosed by rounding to the nearest \$100,000. Our "as of" date must not be more than three months before the date we last updated our Brochure in response to Item 4.E of Form ADV Part 2A.

Investment Consulting:

We may charge a flat fee based on services rendered or charge a fee of up to 0.75% of assets on which we will provide investment consulting. Flat fees generally range from \$25,000 - \$250,000. Our fee is negotiable under certain circumstances based on the scope and complexity of our engagement. Investment consulting fees are billed quarterly in arrears. Asset based fees are billed on either the final quarterly balance or the average monthly balance for the prior quarter, depending on the client's preference.

Other Fees:

Clients will incur transaction charges for trades executed in their accounts. These transaction fees are separate from our fees and will be disclosed by the firm that the trades are executed through. Also, clients will pay the following separately incurred expenses, which we do not receive any part of: charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses).

Refunds Following Termination

We charge our advisory fees quarterly in advance. In the event that you wish to terminate our services, we will refund the unearned portion of our advisory fee to you. You need to contact us in writing and state that you wish to terminate our services. Upon receipt of your letter of termination, we will proceed to close out your account and process a pro-rata refund of unearned advisory fees.

Commissionable Securities Sales

We do not sell securities for a commission. In order to sell securities for a commission, we would need to have our associated persons registered with a broker-dealer. We have chosen not to do so.



We do not charge performance-based fees.

Item 7: Types of Clients & Account Requirements

We have the following types of clients:

- Individuals and High Net Worth Individuals;
- Trusts, Estates or Charitable Organizations; and
- Institutions.

We require a minimum account balance of \$1,000,000 for our Investment Management service. This minimum account balance requirement is negotiable under certain circumstances and would be required throughout the course of the client's relationship with our firm.

Methods of Analysis

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

- **Charting:** In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend may last and when that trend might reverse. The material risk of charting is that security price may not be useful in predicting future price movements, thus we also employ other techniques such as fundamental analysis to evaluate potential security price movements.
- **Cyclical Analysis.** In this type of technical analysis, we measure the movements of an asset class against the overall global capital markets in an attempt to predict the price movement of that asset class security. The material risk in cyclical analysis is the correlation (i.e. the relative price movement) between asset classes can change over time, making the cyclical analysis less useful in forecasting future price movements.
- **Fundamental Analysis.** We attempt to measure the intrinsic value of asset classes and securities 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 asset class or security is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). We also review the relative valuation of asset classes to each other. 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 asset class or security.

Investment Strategies We Use

We use the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

- **Long-Term Purchases.** When utilizing this strategy, we may purchase securities with the idea of holding them for a relatively long time (typically held for at least a year). A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages 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, we may also purchase securities with the idea of selling them within a relatively short time (typically a year or less). We 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. The material risk is that our analysis is incorrect and the security may not react as expected, creating a short term loss. It can often be more difficult to predict price movements in the short term, as frequently non-fundamental factors such as supply and demand imbalances can significantly influence short term price movements. Over short term periods irrational pricing behavior can drive security prices; whereas over

the long term securities tend to gravitate to a price that is more reflective of underlying fundamentals.

Please Note: Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, are appropriately diversified in your investments, and ask us any questions you may have.



There are no legal or disciplinary events that are material to the evaluation of our advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities & Affiliations

Mr. Lambert is a non-executive director on the Board of Directors at Crucial Life Sciences Data Solutions, Inc, a clinical trial data capture & management IT company. Mr. Lambert is not an employee of the company. He attends board meetings, and provides general business and strategy advice. He devotes approximately 1-2 hours a month to this position. Clients of Peavine Capital Management, LLC will not be solicited to invest in Crucial Life Sciences Data Solutions, Inc.

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

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts². In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates.

Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter,

² For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

Related persons of our firm may buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request. Further, our related persons will refrain from buying or selling the same securities within 48 hours prior to buying or selling for our clients. If related persons' accounts are included in a block trade, our related persons will always trade personal accounts last.



Selecting a Brokerage Firm

Our firm has an arrangement with National Financial Services LLC and Fidelity Brokerage Services LLC (collectively, and together with all affiliates, "Fidelity") through which Fidelity provides our firm with "institutional platform services." Our firm is independently operated and owned and is not affiliated with Fidelity. The institutional platform services include, among others, brokerage, custody, and other related services. Fidelity's institutional platform services that assist us in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Fidelity also offers other services intended to help our firm manage and further develop its advisory practice. Such services include, but are not limited to, performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology with whom we may contract directly.

Fidelity generally does not charge its advisor clients separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Fidelity or that settle into Fidelity accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity provides access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

Fidelity is providing our firm with certain brokerage and research products and services that qualify as "brokerage or research services" under Section 28(e) of the Securities Exchange Act of 1934 ("Exchange Act").

Our firm has an arrangement with Fidelity which provides our firm with Fidelity's "platform" services. The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support our firm in conducting business and in serving the best interests of our clients but that may benefit our firm.

As part of the arrangement described above, Fidelity also makes certain research and brokerage services available at no additional cost to our firm. These services include certain research and brokerage services, including research services obtained by Fidelity directly from independent research companies, as selected by our firm (within specific parameters). Research products and services provided by Fidelity to our firm may include research reports on recommendations or other information about, particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by Fidelity to our firm in the performance of our investment decision-making responsibilities. The aforementioned research and brokerage services are used by our firm to manage accounts for which we have investment discretion. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.

As a result of receiving the services discussed, we may have an incentive to continue to use or expand the use of Fidelity's services. Our firm examined this potential conflict of interest when we chose to enter into the relationship with Fidelity and we have determined that the relationship is in the best interest of our firm's clients and satisfies our client obligations, including our duty to seek best execution.

Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity enables us to obtain many no-load mutual funds and exchange traded funds ("ETFs") without transaction charges and other no-load funds at nominal transaction charges. Fidelity's commission rates are generally discounted from customary retail commission rates. However, the commission and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers.

Our clients may pay a commission to Fidelity that is higher than another qualified broker dealer might charge to effect the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions.

Soft Dollars

Our firm does not accept products or services that do not qualify for Safe Harbor outlined in Section 28(e) of the Securities Exchange Act of 1934, such as those services that do not aid in investment decision-making or trade execution.

Client Brokerage Commissions

Our firm does not receive brokerage for client referrals.

Directed Brokerage

We do not direct client transactions to a particular broker-dealer in return for soft dollar benefits.

In certain instances, clients may seek to limit or restrict our discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are effected. Clients may seek to limit our authority in this area by directing that transactions (or some specified percentage of transactions) be executed through specified brokers in return for portfolio evaluation or other services deemed by the client to be of value. Any such client direction must be in writing (often through our advisory agreement), and may contain a representation from the client that the arrangement is permissible under its governing laws and documents, if this is relevant.

We provide appropriate disclosure in writing to clients who direct trades to particular brokers, that with respect to their directed trades, they will be treated as if they have retained the investment discretion that we otherwise would have in selecting brokers to effect transactions and in negotiating commissions and that such direction may adversely affect our ability to obtain best price and execution. In addition, we will inform you in writing that your trade orders may not be aggregated with other clients' orders and that direction of brokerage may hinder best execution.

Special Considerations for ERISA Clients

A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, we will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

Aggregation of Purchase or Sale

We perform investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when we believe that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most

equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.



We review accounts on at least a quarterly basis for our clients subscribing to our Investment Management and Investment Consulting services. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Only our Financial Advisors or Portfolio Managers will conduct reviews.

We provide written reports to clients. Verbal reports to clients take place on at least an annual basis when we contact clients who subscribe to our Investment Management and Investment Consulting services.

We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

Item 14: Client Referrals & Other Compensation

Fidelity Brokerage Services, LLC

Except for the arrangements outlined in Item 12 of this brochure, we have no additional arrangements to disclose

Referral Fees

We do not pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with Rule 206 (4)-3 of the Investment Advisers Act of 1940.

Item 15: Custody

All of our clients receive at least quarterly account statements directly from their custodians. Upon opening an account with a qualified custodian on a client's behalf, we promptly notify the client in writing of the qualified custodian's contact information. If we decide to also send account statements to clients, such notice and account statements include a legend that recommends that the client compare the account statements received from the qualified custodian with those received from our firm.

We encourage our clients to raise any questions with us about the custody, safety or security of their assets. The custodians we do business with will send you independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account.

Our clients need to sign a discretionary investment advisory agreement with our firm for the management of their account. This type of agreement only applies to our Investment Management clients. We do not take or exercise discretion with respect to our other clients.

Item 17: Voting Client Securities

We do not and will not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to you and ask the party who sent them to mail them directly to you in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

Item 18: Financial Information

We are not required to provide financial information in this Brochure because:

- We do not require the prepayment of more than \$1,200 in fees and six or more months in advance.
- We do not take custody of client funds or securities.
- We do not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.

We have never been the subject of a bankruptcy proceeding.