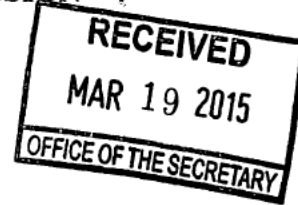


UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

HARD COPY

ADMINISTRATIVE PROCEEDING
File No. 3-16369



In the Matter of

Arete Ltd.,

Respondent.

**MOTION FOR SUMMARY
DISPOSITION AND DEFAULT
JUDGMENT**

The Division of Enforcement hereby moves for summary disposition and default judgment against respondent Arete, Ltd.

BACKGROUND

The Securities and Exchange Commission instituted public administrative and cease-and-desist proceedings against Arete on February 4, 2015. *Matter of Arete, Ltd.*, Rel. No. IA-4015 (Feb. 4, 2015). Arete was served with the Order Instituting Proceedings (“OIP”) on February 11, 2015. *See Arete, Ltd.*, Rel. No. AP-2362 (Feb. 26, 2015) (Order noting Division’s filing of Notice of Service). Arete’s answer to the OIP was due to be filed no later than March 3, 2015. *Id.*; 17 C.F.R. §201.220. Arete did not file an answer.

STATEMENT OF FACTS

The following facts are relevant to the imposition of sanctions against respondent Arete.

I. Facts Deemed to be True

Arete has failed to file a timely answer to the OIP and, thus, is in default. *See* 17 C.F.R. §§201.220; 201.155. As a result this Court may deem the allegations of the OIP to be true. 17 C.F.R. §201.155(a); *see also Rapoport v. SEC*, 682 F.3d 98, 108 (D.C. Cir. 2012). Accordingly, the Court may deem the following allegations of the OIP to be true:

1. Arete d/b/a Sky Peak Capital Management, is a Wyoming limited liability company, and filed its initial Form ADV¹ with the Commission in November 2012.

Arete's principal office and place of business is in Irvine, California.

2. In 2011, the Advisers Act of 1940 ("Advisers Act") was amended to increase the threshold for an investment adviser's assets under management required for registration with the Commission effective March 2012. Registration with the Commission was still required, however, for advisers not regulated by the states where they maintained their principal offices and places of business. Currently, Wyoming is the only state that does not regulate investment advisers. So any investment adviser with a principal office and place of business in Wyoming, regardless of its assets under management, is required to register with the Commission.

3. Rule 222-1(b) under the Advisers Act states that the principal office and place of business of an investment adviser means the executive office of the investment adviser from which the officers, partners, or managers of the investment adviser direct, control, and coordinate the activities of the investment adviser.

4. In September 2012, the initial owner of Arete formed the company as a for profit corporation in Wyoming. On November 27, 2012, Arete made its initial filing with

¹ Each investment adviser registered with the Commission must file a Form ADV. *See* 17 C.F.R. § 275.203-1. In order to withdraw from registration an investment adviser must file a Form ADV-W. *See* 17 C.F.R. § 275.203-2(a).

the Commission on Form ADV. In Part 1A, Items 1F and 2A of the Form ADV, Arete claimed its principal office and place of business was in Cheyenne, Wyoming, and based its registration with the Commission on its Wyoming location. Arete made the same representations about its principal office and place of business and basis for registration in its amendments to Form ADV filed on July 26, 2013, August 2, 2013, and October 2, 2013. Arete stopped conducting business in late 2013 and has not made any filings with the Commission since then.

5. No officer, partner, or manager of Arete directed, controlled, or coordinated the activities of Arete from Wyoming and Arete did not conduct any investment advisory business out of Wyoming. Arete's operations were conducted out of California. Because Arete did not have a principal office or place of business in Wyoming and had no other basis for Commission registration, it was prohibited from registering with the Commission as an investment adviser.

6. On February 28, 2013, the Securities Commissioner for the State of Colorado filed a complaint against the chief compliance officer ("CCO") of Arete, among others, for carrying out a scheme to defraud investors through the use of investments in a so-called "private equity fund." Arete's CCO was charged with violating Section 11-51-301, C.R.S, for the offer or sale of unregistered securities; Section 11-51-401, C.R.S., for acting as an unlicensed sales representative; and Section 11-51-501(1), C.R.S., for securities fraud. On December 9, 2013, Arete's CCO entered into a stipulation, on a neither admit nor deny basis, for an order of permanent injunction and other relief in connection with that case. On December 30, 2013, an order was entered granting the permanent injunction and other relief based on the alleged violations in the complaint.

7. Respondent did not amend its Form ADV to disclose in Part 1A, Item 11 the complaint filed against Arete's CCO, nor did it disclose in Part 2A, Item 9 the December 30, 2013 order entered against Arete's CCO.

8. Arete willfully violated Section 203A of the Advisers Act by improperly registering with the Commission.

9. Arete willfully violated Section 207 of the Advisers Act which makes it "unlawful for any person willfully to make any untrue statement of a material fact in any registration application or report filed with the Commission . . . or willfully to omit to state in any such application or report any material fact which is required to be stated therein." Respondent misstated Arete's principal office and place of business.

10. Arete willfully violated Section 204(a) of the Advisers Act and Rules 204-1(a)(1) and (2) thereunder, which require that investment advisers amend Forms ADV at least annually and more frequently if required by the instructions to Form ADV. The Form ADV instructions require that amendments to the Form ADV be filed promptly if information provided in response to Part 1A, Item 11 or Part 2A become materially inaccurate. Respondent failed to file any amendments to Arete's Forms ADV Part 1A disclosing the complaint filed against Arete's CCO by the Colorado Securities Commissioner, or any amendments to its Form ADV Part 2A disclosing the order entered against Arete's CCO by the Colorado district court.

II. Additional Relevant Facts

In addition to the facts deemed to be true, listed above, the following uncontested facts are relevant to determination of sanctions against Arete.

11. On November 27, 2012, Arete made its initial filing with the Commission on Form ADV. Exhibit A, Arete's November 27, 2012 Form ADV.

12. In Part 1A, Item 1F of the Form ADV, Arete claimed its principal office and place of business was in Cheyenne, Wyoming. *Id.*

13. In Part 2A of the Form ADV, Arete based its registration with the Commission on its Wyoming location. *Id.*

14. At the same time, however, in Part 1A, Item G of the Form ADV, Arete acknowledged that its mailing address was in Longmont, Colorado. *Id.*

15. In addition, in Part 1A, Item 1F of the Form ADV, the phone number Arete claimed was at its "principal office and place of business" in Cheyenne, Wyoming, was actually registered to an address in Longmont, Colorado. *Id.*; Exhibit E.

16. Moreover, while Part 1A, Item J of the Form ADV, claimed that Gary Snisky, Arete's President and Chief Compliance Officer ("CCO") was located in Cheyenne Wyoming, in fact, Snisky resided in Longmont, Colorado, and his residential phone number was listed as Arete's phone number. *Id.*

17. Snisky signed Arete's November 27, 2012 ADV. Exhibit A.

18. Arete made the same representations about its principal office and place of business, mailing address, phone number, and basis for registration in its amendments to Form ADV filed on July 26, 2013, August 2, 2013, and October 2, 2013. Exhibit B, Arete's July 26, 2013 Form ADV; Exhibit C, Arete's August 2, 2013 Form ADV; Exhibit D, Arete's October 2, 2013 Form ADV.

19. In Part 1A, Item J of its August 2, 2013 Form ADV, Arete changed its designated CCO from Snisky to Brenda Ridley. Exhibit C.

20. However in Part 1A, Item J of its August 2, 2013 Form ADV, Arete did not change the telephone number associated with its designated CCO. *Id.* Part 1A, Item J of the August 2, 2013 Form ADV identifies Ridley's telephone number as the telephone number located at Snisky's residence in Longmont, Colorado. *Id.*; Exhibit E.

21. Moreover, while Part 1A, Item J of the August 2, 2013 Form ADV claims that Ridley was located in Cheyenne, Wyoming, in fact, Ridley resided in California. *Id.*; Exhibit F, Ridley Inv. Testimony at pp. 26, 29, Ex. 5.

22. In Part 1A, Item J of Arete's October 2, 2013 ADV, Arete again claimed that Ridley was its CCO and that she was located in Cheyenne, Wyoming. In fact, Ridley still lived in California. Exhibit D; Exhibit F at pp. 26, 29, Ex. 5.

23. Arete has not filed a Form ADV since October 2, 2013.

24. Arete never had any employees in Wyoming, nor did it conduct any business in, or from, Wyoming. Exhibit F at pp. 27, 60 - 62, Ex. 4

25. Arete never had more than \$100 million assets under management ("AUM"). Exhibit F at pp. 61, 84

26. Arete's executive office from which the officers, partners, or managers of the investment adviser directed, controlled, and coordinated its activities was not located in Wyoming. It was directed and controlled from Colorado and/or California. Exhibit F at pp. 27, 60 - 62, 82, 86, 197, Ex. 4

27. On February 28, 2013, the Securities Commissioner for the State of Colorado filed a complaint against Snisky and Ridley, among others, for carrying out a scheme to defraud investors through the use of investments in a so-called "private equity fund." *Joseph v. Snisky, et al.*, Case No. 2013CV30947 (District Court, City and County of

Denver). Exhibit G. Snisky and Ridley were charged with violating Section 11-51-301, C.R.S, for the offer or sale of unregistered securities; Section 11-51-401, C.R.S., for acting as an unlicensed sales representative; and Section 11-51-501(1), C.R.S., for securities fraud. *Id.*

28. The action against Snisky and Ridley was never disclosed in Arete's Form ADV. *See* Item 11, Exhibits B – D.

29. On November 19, 2013, Snisky was indicted in Federal District Court for eighteen counts of mail fraud related to a fraudulent investment scheme using a company named Arete, LLC. *United States v. Snisky*, Case No. 13-cr-00473-RM (D. Colorado). Exhibit H.

30. On December 9, 2013, Ridley entered into a stipulation, on a neither admit nor deny basis, for an order of permanent injunction and other relief in connection with that case. On December 30, 2013, an order was entered granting the permanent injunction and other relief based on the alleged violations in the complaint. Exhibit I.

ARGUMENT

I. Arete Committed the Alleged Violations

The Division has alleged that Arete made false statements in its Forms ADV and that it failed to make required disclosures in those ADVs. Arete's ADVs were signed by Snisky until October 2013 and then by Snisky and Ridley. Exhibits A- D.

Arete is bound by the representations made by its agents in its Forms ADV. As a corporation, an investment adviser acts through individuals, such as its officers. *See Cohen v. Joint Health Ventures*, 107 F. App'x 714, 718 n.1 (9th Cir. 2004); *C.E. Carlson, Inc. v. SEC*, 859 F.2d 1429, 1435 (10th Cir. 1988); *Stuart K. Patrick*, 51 S.E.C. 419, 421, 1993

WL 172847 at (1993), *aff'd*, 19 F.3d 66 (2d Cir. 1994); Restatement (Third) of Agency § 7.03, cmt. c (2006). Given Snisky's position as president and CCO and Ridley's position as CCO, the representations made by them in Arete's Forms ADV are attributable to Arete. *See SEC v. Manor Nursing Ctrs., Inc.*, 458 F.2d 1082, 1089 n.3, 1096-97 nn.16-18 (2d Cir. 1972). In addition, the knowledge of Snisky and Ridley is also attributable to Arete. *See United States v. Josleyn*, 206 F.3d 144, 159 – 160 (1st Cir. 2000).

Arete committed the alleged violations willfully. Willfulness does not require intent to violate, but merely intent to do the act which constitutes a violation. *Tager v. SEC*, 344 F.2d 5, 8 (2d Cir. 1965); *Wonsover v. SEC*, 205 F.3d 408,413-15 (D.C. Cir. 2000).

A. Arete willfully violated Section 203A of the Advisers Act by improperly registering with the Commission.

Arete willfully violated Section 203A of the Advisers Act by improperly registering with the Commission because it had its principal office and place of business in a state other than Wyoming.

Advisers Act Section 203A prohibits an adviser regulated or required to be regulated in the state in which it has its principal office and place of business from registering with the Commission, unless it has AUM exceeding a minimum amount or is an adviser to a registered investment company.² 15 USC § 80b-3-A (1). Wyoming does not regulate investment advisers. *See* Form ADV, Item 2. Thus, any investment adviser with a principal office and place of business in Wyoming may, regardless of its AUM, register

² Section 203A was amended to increase the minimum amount of AUM for most advisers to qualify for SEC registration from \$25 million to \$100 million. *See* Pub. L. No. 111-203, 124 Stat. 1376 (2010); Rel. No. IA-3221 (June 22, 2011).

with the Commission. Arete registered with the Commission based on its representation that its principal office and place of business was in Wyoming. Exhibits A-D.

Rule 222-1(b) under the Advisers Act states that the principal office and place of business of an investment adviser means the executive office of the investment advisers from which the officers, partners, or managers of the investment adviser direct, control, and coordinate the activities of the investment adviser. 17 C.F.R. § 275.222-1. The executive office from which Arete's officers directed, controlled, and coordinated its activities was not in Wyoming. Instead it was in either Colorado or California. *See* Statement of Facts Nos. 14 – 16, 20 – 22, 26.

Arete's registration with the Commission was based on a false representation of the address of Arete's principal office and place of business. These misrepresentations were willful because Snisky and Ridley knew that there was no business being conducted in Wyoming and that the location from which Snisky and Ridley, Arete's officers, directed, controlled, and coordinated its activities was not in Wyoming but was in Colorado, where Snisky was located, or in California, where Ridley was located. Statement of Facts Nos. 14 – 16, 20 – 22, 26. Accordingly, Arete willfully violated Section 203A of the Advisers Act by improperly registering with the Commission.

B. Arete willfully violated Section 207 of the Advisers Act by misstating its principal office and place of business.

Advisers Act Section 207 makes it unlawful "for any person willfully to make any untrue statements of material fact in any registration application or report filed with the Commission under Section 203 and 204...." 15 USC § 80b-7. All information required to be disclosed in a Form ADV is material. *See, e.g., SEC v. Moran*, 922 F. Supp. 867, 899 (S.D.N.Y. 1996) (with regard to Section 207 violations, "the SEC has stated that

Form ADV and amendments to it are: ‘a basic and vital part in our administration of the Act, and it is essential in the public interest that the information required by the application form be supplied completely and accurately.’”) (quoting *Justin Federman Stone*, 41 S.E.C. 717, 723 (1963)).

Each investment adviser registered with the Commission is required to disclose its principal office and place of business. Form ADV Item 1F. Arete’s representation as to its principal office and place of business was material in this case because it provided the basis for Arete’s registration with the Commission and created the false appearance that Arete’s registration with the Commission was appropriate. Exhibits A-D. In addition, these representations were material because they prevented the legally required regulatory oversight of the firms’ business. *See* Form ADV, Item 2.

As discussed above, Arete falsely represented the address of its principal office and place of business. These misrepresentation were willful because Snisky and Ridley knew that there was no business being conducted in Wyoming and that the location from which Snisky and Ridley, Arete’s officers, directed, controlled, and coordinated its activities was not in Wyoming but was in Colorado, where Snisky was located, or in California, where Ridley was located. Statement of Facts Nos. 14 – 16, 20 – 22, 26. Accordingly, Arete willfully violated Section 207 of the Advisers Act by misstating its principal office and place of business.

C. Arete willfully violated Section 204(a) of the Advisers Act and Rules 204-1(a)(1) and (2) thereunder.

Section 204(a) of the Advisers Act and Rules 204-1(a)(1) and (2) thereunder requires investment advisers to amend Forms ADV at least annually and more frequently if required by the instructions to Form ADV. 15 USC § 80b-4(a); 17 C.F.R. § 275.204-

1(a)(1) and (2). The Form ADV instructions require that amendments to the Form ADV be filed promptly if information provided in response to Part 1A, Item 11 or Part 2A become materially inaccurate. Form ADV Instructions at # 4.

Arete failed to file any amendments to Arete's Forms ADV Part 1A disclosing the complaint filed against Arete's CCO by the Colorado Securities Commissioner, or any amendments to its Form ADV Part 2A disclosing the order entered against Arete's CCO by the Colorado district court. Exhibits B-D. In addition, Arete has failed to amend its Form ADV in more than one year. As a result, Arete willfully violated Section 204(a) of the Advisers Act and Rules 204-1(a)(1) and (2) thereunder.

II. Revocation of Arete's Registration is in the Public Interest

In determining whether sanctions are in the public interest, the Commission considers the factors set forth in *Steadman v. SEC*, namely: the egregiousness of the respondent's actions; the isolated or recurrent nature of the infraction; the degree of scienter involved; the sincerity of the respondent's assurances against future violations; the respondent's recognition of the wrongful nature of his conduct; and the likelihood that the respondent's occupation will present opportunities for future violations. *Steadman v. SEC*, 603 F.2d 1126, 1140 (5th Cir. 1979), *aff'd on other grounds*, 450 U.S. 91 (1981); *see also Gary M. Kornman*, Rel. No. 34-59403, 2009 WL 367635 at *6 (Feb. 13, 2009), *pet. denied*, 592 F.3d 173 (D.C. Cir. 2010). The Commission also considers the age of the violation, the degree of harm to investors and the marketplace resulting from the violation, and the deterrent effect of administrative sanctions. *See Schield Mgmt. Co.*, Rel. No. 34-53201, 2006 231642 at * 8 & n.46 (Jan. 31, 2006); *Marshall E. Melton*, Rel. No. 34-2151, 2003 21729839 (July 25, 2003). The inquiry into the appropriate sanction to protect the public

interest is flexible, and no one factor is dispositive. *Gary M. Kornman*, 2009 WL 367635 at *6.

Arete's actions are egregious. The violations at issue involve affirmative, knowing misrepresentations. There is no possibility that Snisky and Ridley, Arete's control persons, did not know that they were not located in Wyoming or that they were controlling Arete from outside Wyoming. In fact, it could be argued that they used a Wyoming address for the purpose of escaping regulatory oversight by the states in which they were actually operating. Arete's violations were recurrent – each of Arete's Form ADVs repeated the false information. Arete's violations involved a high degree of scienter because Snisky and Ridley, knowing that they were not located in or operating out of Wyoming, caused Arete to falsely represent that its principal office and place of business was in Wyoming. Arete has expressed no recognition of the wrongful nature of its conduct or assurances against future violations. Arete's business purpose, the equivalent of its occupation, as a registered investment adviser presents opportunities for future violations. Finally, investors and the marketplace are harmed if investment advisers are allowed to falsify their reports to the Commission and such conduct should not be permitted.

III. Arete Should be Ordered to Cease-and-Desist

Section 203(k) of the Advisers Act authorizes the Commission to impose a cease-and-desist order upon an investment adviser who “is violating, has violated, or is about to violate” any provision of these statutes or any rule or regulation thereunder. 15 USC § 80b-3(k). “In determining whether a cease-and-desist order is an appropriate sanction, [the Commission] look[s] to whether there is some risk of future violations,” and even a “single egregious violation can be sufficient to indicate some risk of future violation.” *Dolphin &*

Bradbury, Inc., Rel. No. 34-54143, 2006 WL 1976000 at *15 (July 13, 2006), *pet. denied*, *Dolphin & Bradbury, Inc. v. SEC*, 512 F.3d 634 (D.C. Cir. 2008). Indeed, “[i]n the ordinary case, and absent evidence to the contrary, a finding of past violation raises a risk of future violation sufficient to support [the Commission] ordering a respondent to cease and desist.” *Fundamental Portfolio Advisors, Inc.*, Rel. No. 34- 48177, 2003 WL 21658248 at *18 (July 15, 2003). Arete’s continuing, knowingly false statements in its Form ADVs are egregious violations demonstrating the risk of future violations. Moreover, the “lack of recognition of the wrongful nature of the conduct,” also demonstrates that a cease-and-desist order is appropriate. *See Johnny Clifton*, 2013 WL 3487076, at * 15 (July 12, 2013).

IV. A Civil Penalty Against Arete is in the Public Interest

Pursuant to Section 203(i) of the Advisers Act, civil penalties may be imposed for violations of the Advisers Act. Advisers Act Section 203(i)(1)(B) applies in cases, such as this one, that were instituted under Section 203(k) of the Advisers Act. *See* 15 U.S.C. § 80b-3(i)(1)(B). Under Section 203(i)(1)(B), a civil monetary penalty may be imposed based simply on the determination that a respondent has committed a violation. *Id.* The statute sets out a three-tiered system for determining the maximum civil penalty for each act or omission. 15 U.S.C. § 80b-3(i)(2). A first tier civil penalty is appropriate for non-fraudulent violations of the Advisers Act. 15 U.S.C. § 80b-3(i)(1) and (2). For the time period in which Arete’s first ADV was filed, the maximum first-tier penalty for each violation is \$75,000. 15 U.S.C. § 80b-3(i); 17 C.F.R. § 201.1004 & Table IV to Subpt. E, (adjusting the statutory amounts for inflation). For the time period in which Arete’s July 26, 2013, August 2, 2013, and October 2, 2013 ADVs were filed, the maximum first-tier


penalty for each violation is \$80,000. 15 U.S.C. § 80b-3(i); 17 C.F.R. § 201.100a5 & Table V to Subpt. E, (further adjusting the statutory amounts).

CONCLUSION

Arete made material misrepresentations and failed to make required disclosures in its Form ADV. In so doing, it violated the Investment Advisers Act. Revocation of its registration as an investment adviser, a cease-and-desist order, and imposition of penalties are in the public interest. This motion should be granted and judgment entered for the Division of Enforcement.

Dated: March 18, 2015

Respectfully Submitted,



Polly Atkinson
Division of Enforcement
Securities and Exchange Commission
Denver Regional Office
1961 Stout Street, Ste. 1700
Denver, CO 80294

FORM ADV

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION AND REPORT BY EXEMPT REPORTING ADVISERS

Primary Business Name: SKY PEAK CAPITAL MANAGEMENT

CRD Number: 165797

SEC Initial - Item 1 Identifying Information

Rev. 10/2012

11/27/2012 5:04:56 PM

WARNING: Complete this form truthfully. False statements or omissions may result in denial of your application, revocation of your registration, or criminal prosecution. You must keep this form updated by filing periodic amendments. See Form ADV General Instruction 4.

Item 1 Identifying Information

Responses to this Item tell us who you are, where you are doing business, and how we can contact you.

A. Your full legal name (if you are a sole proprietor, your last, first, and middle names):

ARETE, LTD

B. Name under which you primarily conduct your advisory business, if different from Item 1.A.:

ARETE, LTD

List on Section 1.B. of Schedule D any additional names under which you conduct your advisory business.

C. If this filing is reporting a change in your legal name (Item 1.A.) or primary business name (Item 1.B.), enter the new name and specify whether the name change is of

 your legal name or your primary business name:

SKY PEAK CAPITAL MANAGEMENT

D. (1) If you are registered with the SEC as an investment adviser, your SEC file number: **801-77422**

(2) If you report to the SEC as an exempt reporting adviser, your SEC file number:

E. If you have a number ("CRD Number") assigned by the FINRA's CRD system or by the IARD system, your CRD number: **165797**

If your firm does not have a CRD number, skip this Item 1.E. Do not provide the CRD number of one of your officers, employees, or affiliates.

F. Principal Office and Place of Business

(1) Address (do not use a P.O. Box):

Number and Street 1:

1621 CENTRAL AVENUE

City:

CHEYENNE

State:

Wyoming

Number and Street 2:

Country:

UNITED STATES

ZIP+4/Postal Code:

82001

If this address is a private residence, check this box:

List on Section 1.F. of Schedule D any office, other than your principal office and place of business, at which you conduct investment advisory business. If you are applying for registration, or are registered, with one or more state securities authorities, you must list all of your offices in the state or states to which you are applying for registration or with whom you are registered. If you are applying for SEC registration, if you are registered only with the SEC, or if you are reporting to the SEC as an exempt reporting adviser, list the largest five offices in terms of numbers of employees.

(2) Days of week that you normally conduct business at your principal office and place of business:

 Monday - Friday Other:

Normal business hours at this location:

7:30 AM - 5:30PM(MT)

(3) Telephone number at this location:

303-459-2701

(4) Facsimile number at this location:

303-459-2723

G. Mailing address, if different from your principal office and place of business address:

Number and Street 1:

Number and Street 2:

City:

LONGMONT

State:

Colorado

Country:

UNITED STATES

ZIP+4/Postal Code:

80504

If this address is a private residence, check this box:

H. If you are a sole proprietor, state your full residence address, if different from your principal office and place of business address in Item 1.F.:

Number and Street 1:

Number and Street 2:

City:

State:

Country:

ZIP+4/Postal Code:

I. Do you have one or more websites?

Yes No



If "yes," list all website addresses on Section 1.I. of Schedule D. If a website address serves as a portal through which to access other information you have published on the web, you may list the portal without listing addresses for all of the other information. Some advisers may need to list more than one portal address. Do not provide individual electronic mail (e-mail) addresses in response to this Item.

J. Provide the name and contact information of your Chief Compliance Officer: If you are an *exempt reporting adviser*, you must provide the contact information for your Chief Compliance Officer, if you have one. If not, you must complete Item 1.K. below.

Name:	Other titles, if any:		
GARY CHRISTOPHER SNISKY	PRESIDENT		
Telephone number:	Facsimile number:		
303-459-2701			
Number and Street 1:	Number and Street 2:		
1621 CENTRAL AVENUE			
City:	State:	Country:	ZIP+4/Postal Code:
CHEYENNE	Wyoming	UNITED STATES	82001

Electronic mail (e-mail) address, if Chief Compliance Officer has one:
GSNISKY@ARETELTD.COM

K. Additional Regulatory Contact Person: If a person other than the Chief Compliance Officer is authorized to receive information and respond to questions about this Form ADV, you may provide that information here.

Name:	Titles:		
Telephone number:	Facsimile number:		
Number and Street 1:	Number and Street 2:		
City:	State:	Country:	ZIP+4/Postal Code:

Electronic mail (e-mail) address, if contact person has one:

L. Do you maintain some or all of the books and records you are required to keep under Section 204 of the Advisers Act, or similar state law, somewhere other than your *principal office and place of business*? Yes No

If "yes," complete Section 1.L. of Schedule D.

M. Are you registered with a *foreign financial regulatory authority*? Yes No

Answer "no" if you are not registered with a *foreign financial regulatory authority*, even if you have an affiliate that is registered with a *foreign financial regulatory authority*. If "yes," complete Section 1.M. of Schedule D.

N. Are you a public reporting company under Sections 12 or 15(d) of the Securities Exchange Act of 1934? Yes No

If "yes," provide your CIK number (Central Index Key number that the SEC assigns to each public reporting company):

O. Did you have \$1 billion or more in assets on the last day of your most recent fiscal year? Yes No

P. Provide your *Legal Entity Identifier* if you have one:

A *legal entity identifier* is a unique number that companies use to identify each other in the financial marketplace. In the first half of 2011, the *legal entity identifier* standard was still in development. You may not have a *legal entity identifier*.

SECTION 1.B. Other Business Names

No Information Filed

SECTION 1.F. Other Offices

Complete the following information for each office, other than your *principal office and place of business*, at which you conduct investment advisory business. You must complete a separate Schedule D Section 1.F. for each location. If you are applying for SEC registration, if you are registered only with the SEC, or if you are an *exempt reporting adviser*, list only the largest five offices (in terms of numbers of *employees*).

Number and Street 1:	Number and Street 2:		
██████████			
City:	State:	Country:	ZIP+4/Postal Code:
LONGMONT	Colorado	UNITED STATES	80504

If this address is a private residence, check this box:

Telephone Number:

[REDACTED]

Facsimile Number:

303-459-2723

SECTION 1.L. Location of Books and Records

No Information Filed

SECTION 1.I. Website Addresses

No Information Filed

SECTION 1.M. Registration with Foreign Financial Regulatory Authorities

No Information Filed

FORM ADV

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION AND REPORT BY EXEMPT REPORTING ADVISERS

Primary Business Name: SKY PEAK CAPITAL MANAGEMENT

CRD Number: 165797

SEC Initial - Item 2 SEC Registration/Reporting

Rev. 10/2012

11/27/2012 5:04:56 PM

Item 2 SEC Registration/Reporting

Responses to this Item help us (and you) determine whether you are eligible to register with the SEC. Complete this Item 2.A. only if you are applying for SEC registration or submitting an *annual updating amendment* to your SEC registration.

A. To register (or remain registered) with the SEC, you must check at least one of the Items 2.A.(1) through 2.A.(12), below. If you are submitting an *annual updating amendment* to your SEC registration and you are no longer eligible to register with the SEC, check Item 2.A.(13). Part 1A Instruction 2 provides information to help you determine whether you may affirmatively respond to each of these Items.

You (the adviser):

- (1) are a **large advisory firm** that either:
- (a) has regulatory assets under management of \$100 million (in U.S. dollars) or more, or
- (b) has regulatory assets under management of \$90 million (in U.S. dollars) or more at the time of filing its most recent *annual updating amendment* and is registered with the SEC;
- (2) are a **mid-sized advisory firm** that has regulatory assets under management of \$25 million (in U.S. dollars) or more but less than \$100 million (in U.S. dollars) and you are either:
- (a) not required to be registered as an adviser with the *state securities authority* of the state where you maintain your *principal office and place of business*, or
- (b) not subject to examination by the *state securities authority* of the state where you maintain your *principal office and place of business*;
- Click [HERE](#) for a list of states in which an investment adviser, if registered, would not be subject to examination by the state securities authority.*
- (3) have your *principal office and place of business* in **Wyoming** (which does not regulate advisers);
- (4) have your *principal office and place of business* **outside the United States**;
- (5) are an **investment adviser (or sub-adviser) to an investment company** registered under the Investment Company Act of 1940;
- (6) are an **investment adviser to a company which has elected to be a business development company** pursuant to section 54 of the Investment Company Act of 1940 and has not withdrawn the election, and you have at least \$25 million of regulatory assets under management;
- (7) are a **pension consultant** with respect to assets of plans having an aggregate value of at least \$200,000,000 that qualifies for the exemption in rule 203A-2(a);
- (8) are a **related adviser** under rule 203A-2(b) that *controls, is controlled by, or is under common control* with, an investment adviser that is registered with the SEC, and your *principal office and place of business* is the same as the registered adviser;
- If you check this box, complete Section 2.A.(8) of Schedule D.*
- (9) are a **newly formed adviser** relying on rule 203A-2(c) because you expect to be eligible for SEC registration within 120 days;
- If you check this box, complete Section 2.A.(9) of Schedule D.*
- (10) are a **multi-state adviser** that is required to register in 15 or more states and is relying on rule 203A-2(d);
- If you check this box, complete Section 2.A.(10) of Schedule D.*
- (11) are an **Internet adviser** relying on rule 203A-2(e);
- (12) have received an **SEC order** exempting you from the prohibition against registration with the SEC;
- If you check this box, complete Section 2.A.(12) of Schedule D.*
- (13) are **no longer eligible** to remain registered with the SEC.

State Securities Authority Notice Filings and State Reporting by Exempt Reporting Advisers

C. Under state laws, SEC-registered advisers may be required to provide to *state securities authorities* a copy of the Form ADV and any amendments they file with the SEC. These are called *notice filings*. In addition, *exempt reporting advisers* may be required to provide *state securities authorities* with a copy of reports and any amendments they file with the SEC. If this is an initial application or report, check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to direct your *notice filings* or reports to additional state(s), check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to your registration to stop your *notice filings* or reports from going to state(s) that currently receive them, uncheck the box(es) next to those state(s).

Jurisdictions

- | | | | |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <input type="checkbox"/> AL | <input type="checkbox"/> ID | <input type="checkbox"/> MO | <input type="checkbox"/> PA |
| <input type="checkbox"/> AK | <input type="checkbox"/> IL | <input type="checkbox"/> MT | <input type="checkbox"/> PR |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

<input type="checkbox"/> AZ	<input type="checkbox"/> IN	<input type="checkbox"/> NE	<input type="checkbox"/> RI
<input type="checkbox"/> AR	<input type="checkbox"/> IA	<input type="checkbox"/> NV	<input type="checkbox"/> SC
<input type="checkbox"/> CA	<input type="checkbox"/> KS	<input type="checkbox"/> NH	<input type="checkbox"/> SD
<input checked="" type="checkbox"/> CO	<input type="checkbox"/> KY	<input type="checkbox"/> NJ	<input type="checkbox"/> TN
<input type="checkbox"/> CT	<input type="checkbox"/> LA	<input type="checkbox"/> NM	<input type="checkbox"/> TX
<input type="checkbox"/> DE	<input type="checkbox"/> ME	<input type="checkbox"/> NY	<input type="checkbox"/> UT
<input type="checkbox"/> DC	<input type="checkbox"/> MD	<input type="checkbox"/> NC	<input type="checkbox"/> VT
<input type="checkbox"/> FL	<input type="checkbox"/> MA	<input type="checkbox"/> ND	<input type="checkbox"/> VI
<input type="checkbox"/> GA	<input type="checkbox"/> MI	<input type="checkbox"/> OH	<input type="checkbox"/> VA
<input type="checkbox"/> GU	<input type="checkbox"/> MN	<input type="checkbox"/> OK	<input type="checkbox"/> WA
<input type="checkbox"/> HI	<input type="checkbox"/> MS	<input type="checkbox"/> OR	<input type="checkbox"/> WV
			<input type="checkbox"/> WI

If you are amending your registration to stop your notice filings or reports from going to a state that currently receives them and you do not want to pay that state's notice filing or report filing fee for the coming year, your amendment must be filed before the end of the year (December 31).

SECTION 2.A.(8) Related Adviser

If you are relying on the exemption in rule 203A-2(b) from the prohibition on registration because you *control*, are *controlled* by, or are under common control with an investment adviser that is registered with the SEC and your *principal office and place of business* is the same as that of the registered adviser, provide the following information:

Name of Registered Investment Adviser

CRD Number of Registered Investment Adviser

SEC Number of Registered Investment Adviser
801 -

SECTION 2.A.(9) Newly Formed Adviser

If you are relying on rule 203A-2(c), the newly formed adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations. You must make both of these representations:

- I am not registered or required to be registered with the SEC or a *state securities authority* and I have a reasonable expectation that I will be eligible to register with the SEC within 120 days after the date my registration with the SEC becomes effective.
- I undertake to withdraw from SEC registration if, on the 120th day after my registration with the SEC becomes effective, I would be prohibited by Section 203A(a) of the Advisers Act from registering with the SEC.

SECTION 2.A.(10) Multi-State Adviser

If you are relying on rule 203A-2(d), the multi-state adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations.

If you are applying for registration as an investment adviser with the SEC, you must make both of these representations:

- I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of 15 or more states to register as an investment adviser with the *state securities authorities* in those states.
- I undertake to withdraw from SEC registration if I file an amendment to this registration indicating that I would be required by the laws of fewer than 15 states to register as an investment adviser with the *state securities authorities* of those states.

If you are submitting your *annual updating amendment*, you must make this representation:

- Within 90 days prior to the date of filing this amendment, I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of at least 15 states to register as an investment adviser with the *state securities authorities* in those states.

SECTION 2.A.(12) SEC Exemptive Order

If you are relying upon an SEC *order* exempting you from the prohibition on registration, provide the following information:

Application Number:
803-

Date of order:

FORM ADV

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION AND REPORT BY EXEMPT REPORTING ADVISERS

Primary Business Name: **SKY PEAK CAPITAL MANAGEMENT** CRD Number: **165797**

Other-Than-Annual Amendment - Item 1 Identifying Information Rev. 10/2012

7/26/2013 3:37:19 PM

WARNING: Complete this form truthfully. False statements or omissions may result in denial of your application, revocation of your registration, or criminal prosecution. You must keep this form updated by filing periodic amendments. See Form ADV General Instruction 4.

Item 1 Identifying Information

Responses to this Item tell us who you are, where you are doing business, and how we can contact you.

A. Your full legal name (if you are a sole proprietor, your last, first, and middle names):
ARETE, LTD

B. Name under which you primarily conduct your advisory business, if different from Item 1.A.:
SKY PEAK CAPITAL MANAGEMENT

List on Section 1.B. of Schedule D any additional names under which you conduct your advisory business.

C. If this filing is reporting a change in your legal name (Item 1.A.) or primary business name (Item 1.B.), enter the new name and specify whether the name change is of
 your legal name or your primary business name:

D. (1) If you are registered with the SEC as an investment adviser, your SEC file number: **801-77422**
(2) If you report to the SEC as an exempt reporting adviser, your SEC file number:

E. If you have a number ("CRD Number") assigned by the FINRA's CRD system or by the IARD system, your CRD number: **165797**

If your firm does not have a CRD number, skip this Item 1.E. Do not provide the CRD number of one of your officers, employees, or affiliates.

F. Principal Office and Place of Business

(1) Address (do not use a P.O. Box):

Number and Street 1: 1621 CENTRAL AVENUE	Number and Street 2:
City: CHEYENNE	State: Wyoming
Country: UNITED STATES	ZIP+4/Postal Code: 82001

If this address is a private residence, check this box:

List on Section 1.F. of Schedule D any office, other than your principal office and place of business, at which you conduct investment advisory business. If you are applying for registration, or are registered, with one or more state securities authorities, you must list all of your offices in the state or states to which you are applying for registration or with whom you are registered. If you are applying for SEC registration, if you are registered only with the SEC, or if you are reporting to the SEC as an exempt reporting adviser, list the largest five offices in terms of numbers of employees.

(2) Days of week that you normally conduct business at your principal office and place of business:

Monday - Friday Other:

Normal business hours at this location:
7:30 AM - 5:30PM(MT)

(3) Telephone number at this location:

303-459-2701

(4) Facsimile number at this location:

303-459-2723

G. Mailing address, if different from your principal office and place of business address:

Number and Street 1: ██████████	Number and Street 2:
City: LONGMONT	State: Colorado
Country: UNITED STATES	ZIP+4/Postal Code: 80504

If this address is a private residence, check this box:

H. If you are a sole proprietor, state your full residence address, if different from your principal office and place of business address in Item 1.F.:

Number and Street 1:	Number and Street 2:
City:	State:
Country:	ZIP+4/Postal Code:

I. Do you have one or more websites?

Yes No



If "yes," list all website addresses on Section 1.I. of Schedule D. If a website address serves as a portal through which to access other information you have published on the web, you may list the portal without listing addresses for all of the other information. Some advisers may need to list more than one portal address. Do not provide individual electronic mail (e-mail) addresses in response to this Item.

J. Provide the name and contact information of your Chief Compliance Officer: If you are an exempt reporting adviser, you must provide the contact information for your Chief Compliance Officer, if you have one. If not, you must complete Item 1.K. below.

Name:		Other titles, if any:	
GARY CHRISTOPHER SNISKY		PRESIDENT	
Telephone number:		Facsimile number:	
[REDACTED]			
Number and Street 1:		Number and Street 2:	
1621 CENTRAL AVENUE			
City:	State:	Country:	ZIP+4/Postal Code:
CHEYENNE	Wyoming	UNITED STATES	82001

Electronic mail (e-mail) address, if Chief Compliance Officer has one:
GSNISKY@ARETELTD.COM

K. Additional Regulatory Contact Person: If a person other than the Chief Compliance Officer is authorized to receive information and respond to questions about this Form ADV, you may provide that information here.

Name:		Titles:	
Telephone number:		Facsimile number:	
Number and Street 1:		Number and Street 2:	
City:	State:	Country:	ZIP+4/Postal Code:

Electronic mail (e-mail) address, if contact person has one:

L. Do you maintain some or all of the books and records you are required to keep under Section 204 of the Advisers Act, or similar state law, somewhere other than your principal office and place of business? Yes No

If "yes," complete Section 1.L. of Schedule D.

M. Are you registered with a foreign financial regulatory authority? Yes No

Answer "no" if you are not registered with a foreign financial regulatory authority, even if you have an affiliate that is registered with a foreign financial regulatory authority. If "yes," complete Section 1.M. of Schedule D.

N. Are you a public reporting company under Sections 12 or 15(d) of the Securities Exchange Act of 1934? Yes No

If "yes," provide your CIK number (Central Index Key number that the SEC assigns to each public reporting company):

O. Did you have \$1 billion or more in assets on the last day of your most recent fiscal year? Yes No

P. Provide your Legal Entity Identifier if you have one:

A legal entity identifier is a unique number that companies use to identify each other in the financial marketplace. In the first half of 2011, the legal entity identifier standard was still in development. You may not have a legal entity identifier.

SECTION 1.B. Other Business Names

No Information Filed

SECTION 1.F. Other Offices

Complete the following information for each office, other than your principal office and place of business, at which you conduct investment advisory business. You must complete a separate Schedule D Section 1.F. for each location. If you are applying for SEC registration, if you are registered only with the SEC, or if you are an exempt reporting adviser, list only the largest five offices (in terms of numbers of employees).

Number and Street 1:		Number and Street 2:	
[REDACTED]			
City:	State:	Country:	ZIP+4/Postal Code:
LONGMONT	Colorado	UNITED STATES	80504

If this address is a private residence, check this box:

Telephone Number:

██████████

Facsimile Number:

303-459-2723

SECTION 1.L. Location of Books and Records

No Information Filed

SECTION 1.I. Website Addresses

No Information Filed

SECTION 1.M. Registration with Foreign Financial Regulatory Authorities

No Information Filed

FORM ADV

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION AND REPORT BY EXEMPT REPORTING ADVISERS

Primary Business Name: SKY PEAK CAPITAL MANAGEMENT

CRD Number: 165797

Other-Than-Annual Amendment - Item 2 SEC Registration/Reporting

Rev. 10/2012

7/26/2013 3:37:19 PM

Item 2 SEC Registration/Reporting

Responses to this Item help us (and you) determine whether you are eligible to register with the SEC. Complete this Item 2.A. only if you are applying for SEC registration or submitting an *annual updating amendment* to your SEC registration.

A. To register (or remain registered) with the SEC, you must check at least one of the Items 2.A.(1) through 2.A.(12), below. If you are submitting an *annual updating amendment* to your SEC registration and you are no longer eligible to register with the SEC, check Item 2.A.(13). Part 1A Instruction 2 provides information to help you determine whether you may affirmatively respond to each of these items.

You (the adviser):

- (1) are a **large advisory firm** that either:
- (a) has regulatory assets under management of \$100 million (in U.S. dollars) or more, or
- (b) has regulatory assets under management of \$90 million (in U.S. dollars) or more at the time of filing its most recent *annual updating amendment* and is registered with the SEC;
- (2) are a **mid-sized advisory firm** that has regulatory assets under management of \$25 million (in U.S. dollars) or more but less than \$100 million (in U.S. dollars) and you are either:
- (a) not required to be registered as an adviser with the *state securities authority* of the state where you maintain your *principal office and place of business*, or
- (b) not subject to examination by the *state securities authority* of the state where you maintain your *principal office and place of business*;
- Click [HERE](#) for a list of states in which an investment adviser, if registered, would not be subject to examination by the state securities authority.*
- (3) have your *principal office and place of business* in **Wyoming** (which does not regulate advisers);
- (4) have your *principal office and place of business* **outside the United States**;
- (5) are an **investment adviser (or sub-adviser) to an investment company** registered under the Investment Company Act of 1940;
- (6) are an **investment adviser to a company which has elected to be a business development company** pursuant to section 54 of the Investment Company Act of 1940 and has not withdrawn the election, and you have at least \$25 million of regulatory assets under management;
- (7) are a **pension consultant** with respect to assets of plans having an aggregate value of at least \$200,000,000 that qualifies for the exemption in rule 203A-2(a);
- (8) are a **related adviser** under rule 203A-2(b) that *controls, is controlled by, or is under common control* with, an investment adviser that is registered with the SEC, and your *principal office and place of business* is the same as the registered adviser;
- If you check this box, complete Section 2.A.(8) of Schedule D.*
- (9) are a **newly formed adviser** relying on rule 203A-2(c) because you expect to be eligible for SEC registration within 120 days;
- If you check this box, complete Section 2.A.(9) of Schedule D.*
- (10) are a **multi-state adviser** that is required to register in 15 or more states and is relying on rule 203A-2(d);
- If you check this box, complete Section 2.A.(10) of Schedule D.*
- (11) are an **Internet adviser** relying on rule 203A-2(e);
- (12) have **received an SEC order** exempting you from the prohibition against registration with the SEC;
- If you check this box, complete Section 2.A.(12) of Schedule D.*
- (13) are **no longer eligible** to remain registered with the SEC.

State Securities Authority Notice Filings and State Reporting by Exempt Reporting Advisers

C. Under state laws, SEC-registered advisers may be required to provide to *state securities authorities* a copy of the Form ADV and any amendments they file with the SEC. These are called *notice filings*. In addition, *exempt reporting advisers* may be required to provide *state securities authorities* with a copy of reports and any amendments they file with the SEC. If this is an initial application or report, check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to direct your *notice filings* or reports to additional state(s), check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to your registration to stop your *notice filings* or reports from going to state(s) that currently receive them, uncheck the box(es) next to those state(s).

Jurisdictions

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|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <input type="checkbox"/> AL | <input type="checkbox"/> ID | <input type="checkbox"/> MO | <input type="checkbox"/> PA |
| <input type="checkbox"/> AK | <input type="checkbox"/> IL | <input type="checkbox"/> MT | <input type="checkbox"/> PR |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

<input type="checkbox"/> AZ	<input type="checkbox"/> IN	<input type="checkbox"/> NE	<input type="checkbox"/> RI
<input type="checkbox"/> AR	<input type="checkbox"/> IA	<input type="checkbox"/> NV	<input type="checkbox"/> SC
<input checked="" type="checkbox"/> CA	<input type="checkbox"/> KS	<input type="checkbox"/> NH	<input type="checkbox"/> SD
<input checked="" type="checkbox"/> CO	<input type="checkbox"/> KY	<input type="checkbox"/> NJ	<input type="checkbox"/> TN
<input type="checkbox"/> CT	<input type="checkbox"/> LA	<input type="checkbox"/> NM	<input type="checkbox"/> TX
<input type="checkbox"/> DE	<input type="checkbox"/> ME	<input type="checkbox"/> NY	<input type="checkbox"/> UT
<input type="checkbox"/> DC	<input type="checkbox"/> MD	<input type="checkbox"/> NC	<input type="checkbox"/> VT
<input type="checkbox"/> FL	<input type="checkbox"/> MA	<input type="checkbox"/> ND	<input type="checkbox"/> VI
<input type="checkbox"/> GA	<input type="checkbox"/> MI	<input type="checkbox"/> OH	<input type="checkbox"/> VA
<input type="checkbox"/> GU	<input type="checkbox"/> MN	<input type="checkbox"/> OK	<input type="checkbox"/> WA
<input type="checkbox"/> HI	<input type="checkbox"/> MS	<input type="checkbox"/> OR	<input type="checkbox"/> WV
			<input type="checkbox"/> WI

If you are amending your registration to stop your notice filings or reports from going to a state that currently receives them and you do not want to pay that state's notice filing or report filing fee for the coming year, your amendment must be filed before the end of the year (December 31).

SECTION 2.A.(8) Related Adviser

If you are relying on the exemption in rule 203A-2(b) from the prohibition on registration because you *control*, are *controlled by*, or are under common *control* with an investment adviser that is registered with the SEC and your *principal office and place of business* is the same as that of the registered adviser, provide the following information:

Name of Registered Investment Adviser

CRD Number of Registered Investment Adviser

SEC Number of Registered Investment Adviser

801 -

SECTION 2.A.(9) Newly Formed Adviser

If you are relying on rule 203A-2(c), the newly formed adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations. You must make both of these representations:

- I am not registered or required to be registered with the SEC or a *state securities authority* and I have a reasonable expectation that I will be eligible to register with the SEC within 120 days after the date my registration with the SEC becomes effective.
- I undertake to withdraw from SEC registration if, on the 120th day after my registration with the SEC becomes effective, I would be prohibited by Section 203A(a) of the Advisers Act from registering with the SEC.

SECTION 2.A.(10) Multi-State Adviser

If you are relying on rule 203A-2(d), the multi-state adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations.

If you are applying for registration as an investment adviser with the SEC, you must make both of these representations:

- I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of 15 or more states to register as an investment adviser with the *state securities authorities* in those states.
- I undertake to withdraw from SEC registration if I file an amendment to this registration indicating that I would be required by the laws of fewer than 15 states to register as an investment adviser with the *state securities authorities* of those states.

If you are submitting your *annual updating amendment*, you must make this representation:

- Within 90 days prior to the date of filing this amendment, I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of at least 15 states to register as an investment adviser with the *state securities authorities* in those states.

SECTION 2.A.(12) SEC Exemptive Order

If you are relying upon an SEC *order* exempting you from the prohibition on registration, provide the following information:

Application Number:

803-

Date of order:

FORM ADV

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION AND REPORT BY EXEMPT REPORTING ADVISERS

Primary Business Name: SKY PEAK CAPITAL MANAGEMENT

CRD Number: 165797

Other-Than-Annual Amendment - Item 11 Disclosure Information

Rev. 10/2012

7/26/2013 3:37:19 PM

Item 11 Disclosure Information

In this Item, we ask for information about your disciplinary history and the disciplinary history of all your *advisory affiliates*. We use this information to determine whether to grant your application for registration, to decide whether to revoke your registration or to place limitations on your activities as an investment adviser, and to identify potential problem areas to focus on during our on-site examinations. One event may result in "yes" answers to more than one of the questions below.

Your *advisory affiliates* are: (1) all of your current *employees* (other than *employees* performing only clerical, administrative, support or similar functions); (2) all of your officers, partners, or directors (or any *person* performing similar functions); and (3) all *persons* directly or indirectly *controlling* you or *controlled* by you. If you are a "separately identifiable department or division" (SID) of a bank, see the Glossary of Terms to determine who your *advisory affiliates* are.

If you are registered or registering with the SEC or if you are an exempt reporting adviser, you may limit your disclosure of any event listed in Item 11 to ten years following the date of the event. If you are registered or registering with a state, you must respond to the questions as posed; you may, therefore, limit your disclosure to ten years following the date of an event only in responding to Items 11.A.(1), 11.A.(2), 11.B.(1), 11.B.(2), 11.D.(4), and 11.H.(1)(a). For purposes of calculating this ten-year period, the date of an event is the date the final order, judgment, or decree was entered, or the date any rights of appeal from preliminary orders, judgments, or decrees lapsed.

You must complete the appropriate Disclosure Reporting Page ("DRP") for "yes" answers to the questions in this Item 11.

	Yes No
Do any of the events below involve you or any of your <i>supervised persons</i> ?	<input type="radio"/> <input checked="" type="radio"/>

For "yes" answers to the following questions, complete a Criminal Action DRP:

A. In the past ten years, have you or any <i>advisory affiliate</i> :	Yes No
(1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to any <i>felony</i> ?	<input type="radio"/> <input checked="" type="radio"/>
(2) been <i>charged</i> with any <i>felony</i> ?	<input type="radio"/> <input checked="" type="radio"/>

If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.A.(2) to charges that are currently pending.

B. In the past ten years, have you or any <i>advisory affiliate</i> :	Yes No
(1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to a <i>misdemeanor</i> involving: investments or an <i>investment-related</i> business, or any fraud, false statements, or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses?	<input type="radio"/> <input checked="" type="radio"/>
(2) been <i>charged</i> with a <i>misdemeanor</i> listed in Item 11.B.(1)?	<input type="radio"/> <input checked="" type="radio"/>

If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.B.(2) to charges that are currently pending.

For "yes" answers to the following questions, complete a Regulatory Action DRP:

C. Has the SEC or the Commodity Futures Trading Commission (CFTC) ever:	Yes No
(1) <i>found</i> you or any <i>advisory affiliate</i> to have made a false statement or omission?	<input type="radio"/> <input checked="" type="radio"/>
(2) <i>found</i> you or any <i>advisory affiliate</i> to have been <i>involved</i> in a violation of SEC or CFTC regulations or statutes?	<input type="radio"/> <input checked="" type="radio"/>
(3) <i>found</i> you or any <i>advisory affiliate</i> to have been a cause of an <i>investment-related</i> business having its authorization to do business denied, suspended, revoked, or restricted?	<input type="radio"/> <input checked="" type="radio"/>
(4) entered an <i>order</i> against you or any <i>advisory affiliate</i> in connection with <i>investment-related</i> activity?	<input type="radio"/> <input checked="" type="radio"/>
(5) imposed a civil money penalty on you or any <i>advisory affiliate</i> , or <i>ordered</i> you or any <i>advisory affiliate</i> to cease and desist from any activity?	<input type="radio"/> <input checked="" type="radio"/>
D. Has any other federal regulatory agency, any state regulatory agency, or any <i>foreign financial regulatory authority</i> :	Yes No
(1) ever <i>found</i> you or any <i>advisory affiliate</i> to have made a false statement or omission, or been dishonest, unfair, or unethical?	<input type="radio"/> <input checked="" type="radio"/>
(2) ever <i>found</i> you or any <i>advisory affiliate</i> to have been <i>involved</i> in a violation of <i>investment-related</i> regulations or statutes?	<input type="radio"/> <input checked="" type="radio"/>
(3) ever <i>found</i> you or any <i>advisory affiliate</i> to have been a cause of an <i>investment-related</i> business having its authorization to do business denied, suspended, revoked, or restricted?	<input type="radio"/> <input checked="" type="radio"/>
(4) in the past ten years, entered an <i>order</i> against you or any <i>advisory affiliate</i> in connection with an <i>investment-related</i> activity?	<input type="radio"/> <input checked="" type="radio"/>
(5) ever denied, suspended, or revoked your or any <i>advisory affiliate's</i> registration or license, or otherwise prevented you or any <i>advisory affiliate</i> , by <i>order</i> , from associating with an <i>investment-related</i> business or restricted your or any <i>advisory affiliate's</i> activity?	<input type="radio"/> <input checked="" type="radio"/>
E. Has any <i>self-regulatory organization</i> or commodities exchange ever:	Yes No
(1) <i>found</i> you or any <i>advisory affiliate</i> to have made a false statement or omission?	<input type="radio"/> <input checked="" type="radio"/>
(2)	<input type="radio"/> <input checked="" type="radio"/>

found you or any advisory affiliate to have been involved in a violation of its rules (other than a violation designated as a "minor rule violation" under a plan approved by the SEC)?

(3) *found you or any advisory affiliate to have been the cause of an investment-related business having its authorization to do business denied, suspended, revoked, or restricted?*

(4) *disciplined you or any advisory affiliate by expelling or suspending you or the advisory affiliate from membership, barring or suspending you or the advisory affiliate from association with other members, or otherwise restricting your or the advisory affiliate's activities?*

F. *Has an authorization to act as an attorney, accountant, or federal contractor granted to you or any advisory affiliate ever been revoked or suspended?*

G. *Are you or any advisory affiliate now the subject of any regulatory proceeding that could result in a "yes" answer to any part of Item 11.C., 11.D., or 11.E.?*

For "yes" answers to the following questions, complete a Civil Judicial Action DRP:

- | | Yes | No |
|---|-----------------------|----------------------------------|
| H. (1) <i>Has any domestic or foreign court:</i> | | |
| (a) <i>In the past ten years, enjoined you or any advisory affiliate in connection with any investment-related activity?</i> | <input type="radio"/> | <input checked="" type="radio"/> |
| (b) <i>ever found that you or any advisory affiliate were involved in a violation of investment-related statutes or regulations?</i> | <input type="radio"/> | <input checked="" type="radio"/> |
| (c) <i>ever dismissed, pursuant to a settlement agreement, an investment-related civil action brought against you or any advisory affiliate by a state or foreign financial regulatory authority?</i> | <input type="radio"/> | <input checked="" type="radio"/> |
| (2) <i>Are you or any advisory affiliate now the subject of any civil proceeding that could result in a "yes" answer to any part of Item 11.H.(1)?</i> | <input type="radio"/> | <input checked="" type="radio"/> |

FORM ADV

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION AND REPORT BY EXEMPT REPORTING ADVISERS

Primary Business Name: SKY PEAK CAPITAL MANAGEMENT CRD Number: 165797

Other-Than-Annual Amendment - Item 1 Identifying Information Rev. 10/2012

8/2/2013 11:55:00 AM

WARNING: Complete this form truthfully. False statements or omissions may result in denial of your application, revocation of your registration, or criminal prosecution. You must keep this form updated by filing periodic amendments. See Form ADV General Instruction 4.

Item 1 Identifying Information

Responses to this Item tell us who you are, where you are doing business, and how we can contact you.

A. Your full legal name (if you are a sole proprietor, your last, first, and middle names):
ARETE, LTD

B. Name under which you primarily conduct your advisory business, if different from Item 1.A.:
SKY PEAK CAPITAL MANAGEMENT

List on Section 1.B. of Schedule D any additional names under which you conduct your advisory business.

C. If this filing is reporting a change in your legal name (Item 1.A.) or primary business name (Item 1.B.), enter the new name and specify whether the name change is of
 your legal name or your primary business name:

D. (1) If you are registered with the SEC as an investment adviser, your SEC file number: **801-77422**
(2) If you report to the SEC as an exempt reporting adviser, your SEC file number:

E. If you have a number ("CRD Number") assigned by the FINRA's CRD system or by the IARD system, your CRD number: **165797**

If your firm does not have a CRD number, skip this Item 1.E. Do not provide the CRD number of one of your officers, employees, or affiliates.

F. Principal Office and Place of Business

(1) Address (do not use a P.O. Box):

Number and Street 1:		Number and Street 2:	
1621 CENTRAL AVENUE			
City:	State:	Country:	ZIP+4/Postal Code:
CHEYENNE	Wyoming	UNITED STATES	82001

If this address is a private residence, check this box:

List on Section 1.F. of Schedule D any office, other than your principal office and place of business, at which you conduct investment advisory business. If you are applying for registration, or are registered, with one or more state securities authorities, you must list all of your offices in the state or states to which you are applying for registration or with whom you are registered. If you are applying for SEC registration, if you are registered only with the SEC, or if you are reporting to the SEC as an exempt reporting adviser, list the largest five offices in terms of numbers of employees.

(2) Days of week that you normally conduct business at your principal office and place of business:

Monday - Friday Other:

Normal business hours at this location:
7:30 AM - 5:30PM(MT)

(3) Telephone number at this location:

303-459-2701

(4) Facsimile number at this location:

303-459-2723

G. Mailing address, if different from your principal office and place of business address:

Number and Street 1:		Number and Street 2:	
[REDACTED]			
City:	State:	Country:	ZIP+4/Postal Code:
LONGMONT	Colorado	UNITED STATES	80504

If this address is a private residence, check this box:

H. If you are a sole proprietor, state your full residence address, if different from your principal office and place of business address in Item 1.F.:

Number and Street 1:		Number and Street 2:	
City:	State:	Country:	ZIP+4/Postal Code:

I. Do you have one or more websites?

Yes No



If "yes," list all website addresses on Section 1.I. of Schedule D. If a website address serves as a portal through which to access other information you have published on the web, you may list the portal without listing addresses for all of the other information. Some advisers may need to list more than one portal address. Do not provide individual electronic mail (e-mail) addresses in response to this Item.

J. Provide the name and contact information of your Chief Compliance Officer: If you are an *exempt reporting adviser*, you must provide the contact information for your Chief Compliance Officer, if you have one. If not, you must complete Item 1.K. below.

Name:		Other titles, if any:	
GARY CHRISTOPHER SNISKY BRENDA RIDLEY		PRESIDENT	
Telephone number:		Facsimile number:	
303-459-2701			
Number and Street 1:		Number and Street 2:	
1621 CENTRAL AVENUE			
City:	State:	Country:	ZIP+4/Postal Code:
CHEYENNE	Wyoming	UNITED STATES	82001

Electronic mail (e-mail) address, if Chief Compliance Officer has one:
GSNISKY@ARETELTD.COM

K. Additional Regulatory Contact Person: If a person other than the Chief Compliance Officer is authorized to receive information and respond to questions about this Form ADV, you may provide that information here.

Name:		Titles:	
Telephone number:		Facsimile number:	
Number and Street 1:		Number and Street 2:	
City:	State:	Country:	ZIP+4/Postal Code:

Electronic mail (e-mail) address, if contact person has one:

L. Do you maintain some or all of the books and records you are required to keep under Section 204 of the Advisers Act, or similar state law, somewhere other than your *principal office and place of business*? Yes No

If "yes," complete Section 1.L. of Schedule D.

M. Are you registered with a *foreign financial regulatory authority*? Yes No

Answer "no" if you are not registered with a *foreign financial regulatory authority*, even if you have an affiliate that is registered with a *foreign financial regulatory authority*. If "yes," complete Section 1.M. of Schedule D.

N. Are you a public reporting company under Sections 12 or 15(d) of the Securities Exchange Act of 1934? Yes No

If "yes," provide your CIK number (Central Index Key number that the SEC assigns to each public reporting company):

O. Did you have \$1 billion or more in assets on the last day of your most recent fiscal year? Yes No

P. Provide your *Legal Entity Identifier* if you have one:

A *legal entity identifier* is a unique number that companies use to identify each other in the financial marketplace. In the first half of 2011, the *legal entity identifier* standard was still in development. You may not have a *legal entity identifier*.

SECTION 1.B. Other Business Names

No Information Filed

SECTION 1.F. Other Offices

Complete the following information for each office, other than your *principal office and place of business*, at which you conduct investment advisory business. You must complete a separate Schedule D Section 1.F. for each location. If you are applying for SEC registration, if you are registered only with the SEC, or if you are an *exempt reporting adviser*, list only the largest five offices (in terms of numbers of *employees*).

Number and Street 1:		Number and Street 2:	
██████████			
City:	State:	Country:	ZIP+4/Postal Code:
LONGMONT	Colorado	UNITED STATES	80504

If this address is a private residence, check this box:

Telephone Number:

[REDACTED]

Facsimile Number:

303-459-2723

SECTION 1.L. Location of Books and Records

No Information Filed

SECTION 1.I. Website Addresses

No Information Filed

SECTION 1.M. Registration with Foreign Financial Regulatory Authorities

No Information Filed

FORM ADV

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION AND REPORT BY EXEMPT REPORTING ADVISERS

Primary Business Name: SKY PEAK CAPITAL MANAGEMENT

CRD Number: 165797

Other-Than-Annual Amendment - Item 2 SEC Registration/Reporting

Rev. 10/2012

8/2/2013 11:55:00 AM

Item 2 SEC Registration/Reporting

Responses to this Item help us (and you) determine whether you are eligible to register with the SEC. Complete this Item 2.A. only if you are applying for SEC registration or submitting an *annual updating amendment* to your SEC registration.

A. To register (or remain registered) with the SEC, you must check at least one of the Items 2.A.(1) through 2.A.(12), below. If you are submitting an *annual updating amendment* to your SEC registration and you are no longer eligible to register with the SEC, check Item 2.A.(13). Part 1A Instruction 2 provides information to help you determine whether you may affirmatively respond to each of these Items.

You (the adviser):

- (1) are a **large advisory firm** that either:
- (a) has regulatory assets under management of \$100 million (in U.S. dollars) or more, or
- (b) has regulatory assets under management of \$90 million (in U.S. dollars) or more at the time of filing its most recent *annual updating amendment* and is registered with the SEC;
- (2) are a **mid-sized advisory firm** that has regulatory assets under management of \$25 million (in U.S. dollars) or more but less than \$100 million (in U.S. dollars) and you are either:
- (a) not required to be registered as an adviser with the *state securities authority* of the state where you maintain your *principal office and place of business*, or
- (b) not subject to examination by the *state securities authority* of the state where you maintain your *principal office and place of business*;
Click HERE for a list of states in which an investment adviser, if registered, would not be subject to examination by the state securities authority.
- (3) have your *principal office and place of business* in **Wyoming** (which does not regulate advisers);
- (4) have your *principal office and place of business* **outside the United States**;
- (5) are an **investment adviser (or sub-adviser) to an investment company** registered under the Investment Company Act of 1940;
- (6) are an **investment adviser to a company which has elected to be a business development company** pursuant to section 54 of the Investment Company Act of 1940 and has not withdrawn the election, and you have at least \$25 million of regulatory assets under management;
- (7) are a **pension consultant** with respect to assets of plans having an aggregate value of at least \$200,000,000 that qualifies for the exemption in rule 203A-2(a);
- (8) are a **related adviser** under rule 203A-2(b) that *controls, is controlled by, or is under common control* with, an investment adviser that is registered with the SEC, and your *principal office and place of business* is the same as the registered adviser;
If you check this box, complete Section 2.A.(8) of Schedule D.
- (9) are a **newly formed adviser** relying on rule 203A-2(c) because you expect to be eligible for SEC registration within 120 days;
If you check this box, complete Section 2.A.(9) of Schedule D.
- (10) are a **multi-state adviser** that is required to register in 15 or more states and is relying on rule 203A-2(d);
If you check this box, complete Section 2.A.(10) of Schedule D.
- (11) are an **Internet adviser** relying on rule 203A-2(e);
- (12) have **received an SEC order** exempting you from the prohibition against registration with the SEC;
If you check this box, complete Section 2.A.(12) of Schedule D.
- (13) are **no longer eligible** to remain registered with the SEC.

State Securities Authority Notice Filings and State Reporting by Exempt Reporting Advisers

C. Under state laws, SEC-registered advisers may be required to provide to *state securities authorities* a copy of the Form ADV and any amendments they file with the SEC. These are called *notice filings*. In addition, *exempt reporting advisers* may be required to provide *state securities authorities* with a copy of reports and any amendments they file with the SEC. If this is an initial application or report, check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to direct your *notice filings* or reports to additional state(s), check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to your registration to stop your *notice filings* or reports from going to state(s) that currently receive them, uncheck the box(es) next to those state(s).

Jurisdictions

- | | | | |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <input type="checkbox"/> AL | <input type="checkbox"/> ID | <input type="checkbox"/> MO | <input type="checkbox"/> PA |
| <input type="checkbox"/> AK | <input type="checkbox"/> IL | <input type="checkbox"/> MT | <input type="checkbox"/> PR |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

<input type="checkbox"/> AZ	<input type="checkbox"/> IN	<input type="checkbox"/> NE	<input type="checkbox"/> RI
<input type="checkbox"/> AR	<input type="checkbox"/> IA	<input type="checkbox"/> NV	<input type="checkbox"/> SC
<input checked="" type="checkbox"/> CA	<input type="checkbox"/> KS	<input type="checkbox"/> NH	<input type="checkbox"/> SD
<input checked="" type="checkbox"/> CO	<input type="checkbox"/> KY	<input type="checkbox"/> NJ	<input type="checkbox"/> TN
<input type="checkbox"/> CT	<input type="checkbox"/> LA	<input type="checkbox"/> NM	<input type="checkbox"/> TX
<input type="checkbox"/> DE	<input type="checkbox"/> ME	<input type="checkbox"/> NY	<input type="checkbox"/> UT
<input type="checkbox"/> DC	<input type="checkbox"/> MD	<input type="checkbox"/> NC	<input type="checkbox"/> VT
<input type="checkbox"/> FL	<input type="checkbox"/> MA	<input type="checkbox"/> ND	<input type="checkbox"/> VI
<input type="checkbox"/> GA	<input type="checkbox"/> MI	<input type="checkbox"/> OH	<input type="checkbox"/> VA
<input type="checkbox"/> GU	<input type="checkbox"/> MN	<input type="checkbox"/> OK	<input type="checkbox"/> WA
<input type="checkbox"/> HI	<input type="checkbox"/> MS	<input type="checkbox"/> OR	<input type="checkbox"/> WV
			<input type="checkbox"/> WI

If you are amending your registration to stop your notice filings or reports from going to a state that currently receives them and you do not want to pay that state's notice filing or report filing fee for the coming year, your amendment must be filed before the end of the year (December 31).

SECTION 2.A.(8) Related Adviser

If you are relying on the exemption in rule 203A-2(b) from the prohibition on registration because you *control*, are *controlled by*, or are under common *control* with an investment adviser that is registered with the SEC and your *principal office and place of business* is the same as that of the registered adviser, provide the following information:

Name of Registered Investment Adviser

CRD Number of Registered Investment Adviser

SEC Number of Registered Investment Adviser

801 -

SECTION 2.A.(9) Newly Formed Adviser

If you are relying on rule 203A-2(c), the newly formed adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations. You must make both of these representations:

- I am not registered or required to be registered with the SEC or a *state securities authority* and I have a reasonable expectation that I will be eligible to register with the SEC within 120 days after the date my registration with the SEC becomes effective.
- I undertake to withdraw from SEC registration if, on the 120th day after my registration with the SEC becomes effective, I would be prohibited by Section 203A(a) of the Advisers Act from registering with the SEC.

SECTION 2.A.(10) Multi-State Adviser

If you are relying on rule 203A-2(d), the multi-state adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations.

If you are applying for registration as an investment adviser with the SEC, you must make both of these representations:

- I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of 15 or more states to register as an investment adviser with the *state securities authorities* in those states.
- I undertake to withdraw from SEC registration if I file an amendment to this registration indicating that I would be required by the laws of fewer than 15 states to register as an investment adviser with the *state securities authorities* of those states.

If you are submitting your *annual updating amendment*, you must make this representation:

- Within 90 days prior to the date of filing this amendment, I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of at least 15 states to register as an investment adviser with the *state securities authorities* in those states.

SECTION 2.A.(12) SEC Exemptive Order

If you are relying upon an SEC *order* exempting you from the prohibition on registration, provide the following information:

Application Number:

803-

Date of order:

FORM ADV

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION AND REPORT BY EXEMPT REPORTING ADVISERS

Primary Business Name: SKY PEAK CAPITAL MANAGEMENT

CRD Number: 165797

Other-Than-Annual Amendment - Item 11 Disclosure Information

Rev. 10/2012

8/2/2013 11:55:00 AM

Item 11 Disclosure Information

In this Item, we ask for information about your disciplinary history and the disciplinary history of all your *advisory affiliates*. We use this information to determine whether to grant your application for registration, to decide whether to revoke your registration or to place limitations on your activities as an investment adviser, and to identify potential problem areas to focus on during our on-site examinations. One event may result in "yes" answers to more than one of the questions below.

Your *advisory affiliates* are: (1) all of your current *employees* (other than *employees* performing only clerical, administrative, support or similar functions); (2) all of your officers, partners, or directors (or any *person* performing similar functions); and (3) all *persons* directly or indirectly *controlling* you or *controlled* by you. If you are a "separately identifiable department or division" (SID) of a bank, see the Glossary of Terms to determine who your *advisory affiliates* are.

If you are registered or registering with the SEC or if you are an exempt reporting adviser, you may limit your disclosure of any event listed in Item 11 to ten years following the date of the event. If you are registered or registering with a state, you must respond to the questions as posed; you may, therefore, limit your disclosure to ten years following the date of an event only in responding to Items 11.A.(1), 11.A.(2), 11.B.(1), 11.B.(2), 11.D.(4), and 11.H.(1)(a). For purposes of calculating this ten-year period, the date of an event is the date the final order, judgment, or decree was entered, or the date any rights of appeal from preliminary orders, judgments, or decrees lapsed.

You must complete the appropriate Disclosure Reporting Page ("DRP") for "yes" answers to the questions in this Item 11.

Do any of the events below involve you or any of your supervised persons?	Yes No
	<input type="radio"/> <input checked="" type="radio"/>

For "yes" answers to the following questions, complete a Criminal Action DRP:

A. In the past ten years, have you or any <i>advisory affiliate</i> :	Yes No
(1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to any <i>felony</i> ?	<input type="radio"/> <input checked="" type="radio"/>
(2) been <i>charged</i> with any <i>felony</i> ?	<input type="radio"/> <input checked="" type="radio"/>

If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.A.(2) to charges that are currently pending.

B. In the past ten years, have you or any <i>advisory affiliate</i> :	Yes No
(1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to a <i>misdemeanor</i> involving: investments or an <i>investment-related</i> business, or any fraud, false statements, or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses?	<input type="radio"/> <input checked="" type="radio"/>
(2) been <i>charged</i> with a <i>misdemeanor</i> listed in Item 11.B.(1)?	<input type="radio"/> <input checked="" type="radio"/>

If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.B.(2) to charges that are currently pending.

For "yes" answers to the following questions, complete a Regulatory Action DRP:

C. Has the SEC or the Commodity Futures Trading Commission (CFTC) ever:	Yes No
(1) found you or any <i>advisory affiliate</i> to have made a false statement or omission?	<input type="radio"/> <input checked="" type="radio"/>
(2) found you or any <i>advisory affiliate</i> to have been <i>involved</i> in a violation of SEC or CFTC regulations or statutes?	<input type="radio"/> <input checked="" type="radio"/>
(3) found you or any <i>advisory affiliate</i> to have been a cause of an <i>investment-related</i> business having its authorization to do business denied, suspended, revoked, or restricted?	<input type="radio"/> <input checked="" type="radio"/>
(4) entered an <i>order</i> against you or any <i>advisory affiliate</i> in connection with <i>investment-related</i> activity?	<input type="radio"/> <input checked="" type="radio"/>
(5) imposed a civil money penalty on you or any <i>advisory affiliate</i> , or <i>ordered</i> you or any <i>advisory affiliate</i> to cease and desist from any activity?	<input type="radio"/> <input checked="" type="radio"/>
D. Has any other federal regulatory agency, any state regulatory agency, or any <i>foreign financial regulatory authority</i> :	Yes No
(1) ever found you or any <i>advisory affiliate</i> to have made a false statement or omission, or been dishonest, unfair, or unethical?	<input type="radio"/> <input checked="" type="radio"/>
(2) ever found you or any <i>advisory affiliate</i> to have been <i>involved</i> in a violation of <i>investment-related</i> regulations or statutes?	<input type="radio"/> <input checked="" type="radio"/>
(3) ever found you or any <i>advisory affiliate</i> to have been a cause of an <i>investment-related</i> business having its authorization to do business denied, suspended, revoked, or restricted?	<input type="radio"/> <input checked="" type="radio"/>
(4) In the past ten years, entered an <i>order</i> against you or any <i>advisory affiliate</i> in connection with an <i>investment-related</i> activity?	<input type="radio"/> <input checked="" type="radio"/>
(5) ever denied, suspended, or revoked your or any <i>advisory affiliate's</i> registration or license, or otherwise prevented you or any <i>advisory affiliate</i> , by <i>order</i> , from associating with an <i>investment-related</i> business or restricted your or any <i>advisory affiliate's</i> activity?	<input type="radio"/> <input checked="" type="radio"/>
E. Has any <i>self-regulatory organization</i> or commodities exchange ever:	Yes No
(1) found you or any <i>advisory affiliate</i> to have made a false statement or omission?	<input type="radio"/> <input checked="" type="radio"/>
(2)	<input type="radio"/> <input checked="" type="radio"/>

found you or any advisory affiliate to have been involved in a violation of its rules (other than a violation designated as a "minor rule violation" under a plan approved by the SEC)?

(3) *found you or any advisory affiliate to have been the cause of an investment-related business having its authorization to do business denied, suspended, revoked, or restricted?*

(4) *disciplined you or any advisory affiliate by expelling or suspending you or the advisory affiliate from membership, barring or suspending you or the advisory affiliate from association with other members, or otherwise restricting your or the advisory affiliate's activities?*

F. *Has an authorization to act as an attorney, accountant, or federal contractor granted to you or any advisory affiliate ever been revoked or suspended?*

G. *Are you or any advisory affiliate now the subject of any regulatory proceeding that could result in a "yes" answer to any part of Item 11.C., 11.D., or 11.E.?*

For "yes" answers to the following questions, complete a Civil Judicial Action DRP:

- | H. (1) Has any domestic or foreign court: | Yes | No |
|---|-----------------------|----------------------------------|
| (a) <i>In the past ten years, enjoined you or any advisory affiliate in connection with any investment-related activity?</i> | <input type="radio"/> | <input checked="" type="radio"/> |
| (b) <i>ever found that you or any advisory affiliate were involved in a violation of investment-related statutes or regulations?</i> | <input type="radio"/> | <input checked="" type="radio"/> |
| (c) <i>ever dismissed, pursuant to a settlement agreement, an investment-related civil action brought against you or any advisory affiliate by a state or foreign financial regulatory authority?</i> | <input type="radio"/> | <input checked="" type="radio"/> |
| (2) <i>Are you or any advisory affiliate now the subject of any civil proceeding that could result in a "yes" answer to any part of Item 11.H.(1)?</i> | <input type="radio"/> | <input checked="" type="radio"/> |

FORM ADV

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION AND REPORT BY EXEMPT REPORTING ADVISERS

Primary Business Name: SKY PEAK CAPITAL MANAGEMENT CRD Number: 165797

Other-Than-Annual Amendment - Item 1 Identifying Information Rev. 10/2012

10/2/2013 2:47:48 PM

WARNING: Complete this form truthfully. False statements or omissions may result in denial of your application, revocation of your registration, or criminal prosecution. You must keep this form updated by filing periodic amendments. See Form ADV General Instruction 4.

Item 1 Identifying Information

Responses to this Item tell us who you are, where you are doing business, and how we can contact you.

A. Your full legal name (if you are a sole proprietor, your last, first, and middle names):
ARETE, LTD

B. Name under which you primarily conduct your advisory business, if different from Item 1.A.:
SKY PEAK CAPITAL MANAGEMENT

List on Section 1.B. of Schedule D any additional names under which you conduct your advisory business.

C. If this filing is reporting a change in your legal name (Item 1.A.) or primary business name (Item 1.B.), enter the new name and specify whether the name change is of
 your legal name or your primary business name:

D. (1) If you are registered with the SEC as an investment adviser, your SEC file number: **801-77422**
(2) If you report to the SEC as an exempt reporting adviser, your SEC file number:

E. If you have a number ("CRD Number") assigned by the FINRA's CRD system or by the IARD system, your CRD number: **165797**

If your firm does not have a CRD number, skip this Item 1.E. Do not provide the CRD number of one of your officers, employees, or affiliates.

F. Principal Office and Place of Business

(1) Address (do not use a P.O. Box):

Number and Street 1:		Number and Street 2:	
1621 CENTRAL AVENUE			
City:	State:	Country:	ZIP+4/Postal Code:
CHEYENNE	Wyoming	UNITED STATES	82001

If this address is a private residence, check this box:

List on Section 1.F. of Schedule D any office, other than your principal office and place of business, at which you conduct investment advisory business. If you are applying for registration, or are registered, with one or more state securities authorities, you must list all of your offices in the state or states to which you are applying for registration or with whom you are registered. If you are applying for SEC registration, if you are registered only with the SEC, or if you are reporting to the SEC as an exempt reporting adviser, list the largest five offices in terms of numbers of employees.

(2) Days of week that you normally conduct business at your principal office and place of business:

Monday - Friday Other:

Normal business hours at this location:

7:30 AM - 5:30PM(MT)

(3) Telephone number at this location:

303-459-2701

(4) Facsimile number at this location:

303-459-2723

G. Mailing address, if different from your principal office and place of business address:

Number and Street 1:		Number and Street 2:	
[REDACTED]			
City:	State:	Country:	ZIP+4/Postal Code:
LONGMONT	Colorado	UNITED STATES	80504

If this address is a private residence, check this box:

H. If you are a sole proprietor, state your full residence address, if different from your principal office and place of business address in Item 1.F.:

Number and Street 1:		Number and Street 2:	
City:	State:	Country:	ZIP+4/Postal Code:

I. Do you have one or more websites?

Yes No



If "yes," list all website addresses on Section 1.I. of Schedule D. If a website address serves as a portal through which to access other information you have published on the web, you may list the portal without listing addresses for all of the other information. Some advisers may need to list more than one portal address. Do not provide individual electronic mail (e-mail) addresses in response to this Item.

J. Provide the name and contact information of your Chief Compliance Officer: If you are an exempt reporting adviser, you must provide the contact information for your Chief Compliance Officer, if you have one. If not, you must complete Item 1.K. below.

Name: BRENDA RIDLEY Other titles, if any:
 Telephone number: 303-459-2701 Facsimile number:
 Number and Street 1: 1621 CENTRAL AVENUE Number and Street 2:
 City: CHEYENNE State: Wyoming Country: UNITED STATES ZIP+4/Postal Code: 82001

Electronic mail (e-mail) address, if Chief Compliance Officer has one:

K. Additional Regulatory Contact Person: If a person other than the Chief Compliance Officer is authorized to receive information and respond to questions about this Form ADV, you may provide that information here.

Name: Titles:
 Telephone number: Facsimile number:
 Number and Street 1: Number and Street 2:
 City: State: Country: ZIP+4/Postal Code:

Electronic mail (e-mail) address, if contact person has one:

L. Do you maintain some or all of the books and records you are required to keep under Section 204 of the Advisers Act, or similar state law, somewhere other than your principal office and place of business? Yes No

If "yes," complete Section 1.L. of Schedule D.

M. Are you registered with a foreign financial regulatory authority? Yes No

Answer "no" if you are not registered with a foreign financial regulatory authority, even if you have an affiliate that is registered with a foreign financial regulatory authority. If "yes," complete Section 1.M. of Schedule D.

N. Are you a public reporting company under Sections 12 or 15(d) of the Securities Exchange Act of 1934? Yes No

If "yes," provide your CIK number (Central Index Key number that the SEC assigns to each public reporting company):

O. Did you have \$1 billion or more in assets on the last day of your most recent fiscal year? Yes No

P. Provide your Legal Entity Identifier if you have one:

A legal entity identifier is a unique number that companies use to identify each other in the financial marketplace. In the first half of 2011, the legal entity identifier standard was still in development. You may not have a legal entity identifier.

SECTION 1.B. Other Business Names

No Information Filed

SECTION 1.F. Other Offices

Complete the following information for each office, other than your principal office and place of business, at which you conduct investment advisory business. You must complete a separate Schedule D Section 1.F. for each location. If you are applying for SEC registration, if you are registered only with the SEC, or if you are an exempt reporting adviser, list only the largest five offices (in terms of numbers of employees).

Number and Street 1: [REDACTED] Number and Street 2:
 City: LONGMONT State: Colorado Country: UNITED STATES ZIP+4/Postal Code: 80504

If this address is a private residence, check this box:

Telephone Number:

[REDACTED]

Facsimile Number:

303-459-2723

Complete the following information for each office, other than your *principal office and place of business*, at which you conduct investment advisory business. You must complete a separate Schedule D Section 1.F. for each location. If you are applying for SEC registration, if you are registered only with the SEC, or if you are an *exempt reporting adviser*, list only the largest five offices (in terms of numbers of employees).

Number and Street 1:

[REDACTED]

Number and Street 2:

City:

IRVINE

State:

California

Country:

UNITED STATES

ZIP+4/Postal Code:

92612

If this address is a private residence, check this box:

Telephone Number:

[REDACTED]

Facsimile Number:

SECTION 1.L. Location of Books and Records

No Information Filed

SECTION 1.I. Website Addresses

No Information Filed

SECTION 1.M. Registration with Foreign Financial Regulatory Authorities

No Information Filed

FORM ADV

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION AND REPORT BY EXEMPT REPORTING ADVISERS

Primary Business Name: SKY PEAK CAPITAL MANAGEMENT

CRD Number: 165797

Other-Than-Annual Amendment - Item 2 SEC Registration/Reporting

Rev. 10/2012

10/2/2013 2:47:48 PM

Item 2 SEC Registration/Reporting

Responses to this Item help us (and you) determine whether you are eligible to register with the SEC. Complete this Item 2.A. only if you are applying for SEC registration or submitting an *annual updating amendment* to your SEC registration.

A. To register (or remain registered) with the SEC, you must check at least one of the Items 2.A.(1) through 2.A.(12), below. If you are submitting an *annual updating amendment* to your SEC registration and you are no longer eligible to register with the SEC, check Item 2.A.(13). Part 1A Instruction 2 provides information to help you determine whether you may affirmatively respond to each of these Items.

You (the adviser):

- (1) are a large advisory firm that either:
- (a) has regulatory assets under management of \$100 million (in U.S. dollars) or more, or
- (b) has regulatory assets under management of \$90 million (in U.S. dollars) or more at the time of filing its most recent *annual updating amendment* and is registered with the SEC;
- (2) are a mid-sized advisory firm that has regulatory assets under management of \$25 million (in U.S. dollars) or more but less than \$100 million (in U.S. dollars) and you are either:
- (a) not required to be registered as an adviser with the *state securities authority* of the state where you maintain your *principal office and place of business*, or
- (b) not subject to examination by the *state securities authority* of the state where you maintain your *principal office and place of business*;
- Click [HERE](#) for a list of states in which an investment adviser, if registered, would not be subject to examination by the state securities authority.*
- (3) have your *principal office and place of business* in Wyoming (which does not regulate advisers);
- (4) have your *principal office and place of business* outside the United States;
- (5) are an investment adviser (or sub-adviser) to an investment company registered under the Investment Company Act of 1940;
- (6) are an investment adviser to a company which has elected to be a business development company pursuant to section 54 of the Investment Company Act of 1940 and has not withdrawn the election, and you have at least \$25 million of regulatory assets under management;
- (7) are a pension consultant with respect to assets of plans having an aggregate value of at least \$200,000,000 that qualifies for the exemption in rule 203A-2(a);
- (8) are a related adviser under rule 203A-2(b) that controls, is controlled by, or is under common control with, an investment adviser that is registered with the SEC, and your *principal office and place of business* is the same as the registered adviser;
- If you check this box, complete Section 2.A.(8) of Schedule D.*
- (9) are a newly formed adviser relying on rule 203A-2(c) because you expect to be eligible for SEC registration within 120 days;
- If you check this box, complete Section 2.A.(9) of Schedule D.*
- (10) are a multi-state adviser that is required to register in 15 or more states and is relying on rule 203A-2(d);
- If you check this box, complete Section 2.A.(10) of Schedule D.*
- (11) are an Internet adviser relying on rule 203A-2(e);
- (12) have received an SEC order exempting you from the prohibition against registration with the SEC;
- If you check this box, complete Section 2.A.(12) of Schedule D.*
- (13) are no longer eligible to remain registered with the SEC.

State Securities Authority Notice Filings and State Reporting by Exempt Reporting Advisers

C. Under state laws, SEC-registered advisers may be required to provide to *state securities authorities* a copy of the Form ADV and any amendments they file with the SEC. These are called *notice filings*. In addition, *exempt reporting advisers* may be required to provide *state securities authorities* with a copy of reports and any amendments they file with the SEC. If this is an initial application or report, check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to direct your *notice filings* or reports to additional state(s), check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to your registration to stop your *notice filings* or reports from going to state(s) that currently receive them, uncheck the box(es) next to those state(s).

Jurisdictions

- | | | | |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <input type="checkbox"/> AL | <input type="checkbox"/> ID | <input type="checkbox"/> MO | <input type="checkbox"/> PA |
| <input type="checkbox"/> AK | <input type="checkbox"/> IL | <input type="checkbox"/> MT | <input type="checkbox"/> PR |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

<input type="checkbox"/> AZ	<input type="checkbox"/> IN	<input type="checkbox"/> NE	<input type="checkbox"/> RI
<input type="checkbox"/> AR	<input type="checkbox"/> IA	<input type="checkbox"/> NV	<input type="checkbox"/> SC
<input checked="" type="checkbox"/> CA	<input type="checkbox"/> KS	<input type="checkbox"/> NH	<input type="checkbox"/> SD
<input checked="" type="checkbox"/> CO	<input type="checkbox"/> KY	<input type="checkbox"/> NJ	<input type="checkbox"/> TN
<input type="checkbox"/> CT	<input type="checkbox"/> LA	<input type="checkbox"/> NM	<input type="checkbox"/> TX
<input type="checkbox"/> DE	<input type="checkbox"/> ME	<input type="checkbox"/> NY	<input type="checkbox"/> UT
<input type="checkbox"/> DC	<input type="checkbox"/> MD	<input type="checkbox"/> NC	<input type="checkbox"/> VT
<input type="checkbox"/> FL	<input type="checkbox"/> MA	<input type="checkbox"/> ND	<input type="checkbox"/> VI
<input type="checkbox"/> GA	<input type="checkbox"/> MI	<input type="checkbox"/> OH	<input type="checkbox"/> VA
<input type="checkbox"/> GU	<input type="checkbox"/> MN	<input type="checkbox"/> OK	<input type="checkbox"/> WA
<input type="checkbox"/> HI	<input type="checkbox"/> MS	<input type="checkbox"/> OR	<input type="checkbox"/> WV
			<input type="checkbox"/> WI

If you are amending your registration to stop your notice filings or reports from going to a state that currently receives them and you do not want to pay that state's notice filing or report filing fee for the coming year, your amendment must be filed before the end of the year (December 31).

SECTION 2.A.(8) Related Adviser

If you are relying on the exemption in rule 203A-2(b) from the prohibition on registration because you *control*, are *controlled by*, or are under common *control* with an investment adviser that is registered with the SEC and your *principal office and place of business* is the same as that of the registered adviser, provide the following information:

Name of Registered Investment Adviser

CRD Number of Registered Investment Adviser

SEC Number of Registered Investment Adviser

801 -

SECTION 2.A.(9) Newly Formed Adviser

If you are relying on rule 203A-2(c), the newly formed adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations. You must make both of these representations:

- I am not registered or required to be registered with the SEC or a *state securities authority* and I have a reasonable expectation that I will be eligible to register with the SEC within 120 days after the date my registration with the SEC becomes effective.
- I undertake to withdraw from SEC registration if, on the 120th day after my registration with the SEC becomes effective, I would be prohibited by Section 203A(a) of the Advisers Act from registering with the SEC.

SECTION 2.A.(10) Multi-State Adviser

If you are relying on rule 203A-2(d), the multi-state adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations.

If you are applying for registration as an investment adviser with the SEC, you must make both of these representations:

- I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of 15 or more states to register as an investment adviser with the *state securities authorities* in those states.
- I undertake to withdraw from SEC registration if I file an amendment to this registration indicating that I would be required by the laws of fewer than 15 states to register as an investment adviser with the *state securities authorities* of those states.

If you are submitting your *annual updating amendment*, you must make this representation:

- Within 90 days prior to the date of filing this amendment, I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of at least 15 states to register as an investment adviser with the *state securities authorities* in those states.

SECTION 2.A.(12) SEC Exemptive Order

If you are relying upon an SEC *order* exempting you from the prohibition on registration, provide the following information:

Application Number:

803-

Date of order:

FORM ADV

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION AND REPORT BY EXEMPT REPORTING ADVISERS

Primary Business Name: SKY PEAK CAPITAL MANAGEMENT

CRD Number: 165797

Other-Than-Annual Amendment - Item 11 Disclosure Information

Rev. 10/2012

10/2/2013 2:47:48 PM

Item 11 Disclosure Information

In this Item, we ask for information about your disciplinary history and the disciplinary history of all your *advisory affiliates*. We use this information to determine whether to grant your application for registration, to decide whether to revoke your registration or to place limitations on your activities as an investment adviser, and to identify potential problem areas to focus on during our on-site examinations. One event may result in "yes" answers to more than one of the questions below.

Your *advisory affiliates* are: (1) all of your current *employees* (other than *employees* performing only clerical, administrative, support or similar functions); (2) all of your officers, partners, or directors (or any *person* performing similar functions); and (3) all *persons* directly or indirectly *controlling* you or *controlled* by you. If you are a "separately identifiable department or division" (SID) of a bank, see the Glossary of Terms to determine who your *advisory affiliates* are.

If you are registered or registering with the SEC or if you are an exempt reporting adviser, you may limit your disclosure of any event listed in Item 11 to ten years following the date of the event. If you are registered or registering with a state, you must respond to the questions as posed; you may, therefore, limit your disclosure to ten years following the date of an event only in responding to Items 11.A.(1), 11.A.(2), 11.B.(1), 11.B.(2), 11.D.(4), and 11.H.(1)(a). For purposes of calculating this ten-year period, the date of an event is the date the final order, judgment, or decree was entered, or the date any rights of appeal from preliminary orders, judgments, or decrees lapsed.

You must complete the appropriate Disclosure Reporting Page ("DRP") for "yes" answers to the questions in this Item 11.

	Yes No
Do any of the events below involve you or any of your <i>supervised persons</i> ?	<input type="radio"/> <input checked="" type="radio"/>

For "yes" answers to the following questions, complete a Criminal Action DRP:

A. In the past ten years, have you or any <i>advisory affiliate</i> :	Yes No
(1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to any <i>felony</i> ?	<input type="radio"/> <input checked="" type="radio"/>
(2) been <i>charged</i> with any <i>felony</i> ?	<input type="radio"/> <input checked="" type="radio"/>

If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.A.(2) to charges that are currently pending.

B. In the past ten years, have you or any <i>advisory affiliate</i> :	Yes No
(1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to a <i>misdemeanor</i> involving investments or an <i>investment-related</i> business, or any fraud, false statements, or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses?	<input type="radio"/> <input checked="" type="radio"/>
(2) been <i>charged</i> with a <i>misdemeanor</i> listed in Item 11.B.(1)?	<input type="radio"/> <input checked="" type="radio"/>

If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.B.(2) to charges that are currently pending.

For "yes" answers to the following questions, complete a Regulatory Action DRP:

C. Has the SEC or the Commodity Futures Trading Commission (CFTC) ever:	Yes No
(1) found you or any <i>advisory affiliate</i> to have made a false statement or omission?	<input type="radio"/> <input checked="" type="radio"/>
(2) found you or any <i>advisory affiliate</i> to have been <i>involved</i> in a violation of SEC or CFTC regulations or statutes?	<input type="radio"/> <input checked="" type="radio"/>
(3) found you or any <i>advisory affiliate</i> to have been a cause of an <i>investment-related</i> business having its authorization to do business denied, suspended, revoked, or restricted?	<input type="radio"/> <input checked="" type="radio"/>
(4) entered an <i>order</i> against you or any <i>advisory affiliate</i> in connection with <i>investment-related</i> activity?	<input type="radio"/> <input checked="" type="radio"/>
(5) imposed a civil money penalty on you or any <i>advisory affiliate</i> , or <i>ordered</i> you or any <i>advisory affiliate</i> to cease and desist from any activity?	<input type="radio"/> <input checked="" type="radio"/>
D. Has any other federal regulatory agency, any state regulatory agency, or any <i>foreign financial regulatory authority</i> :	Yes No
(1) ever found you or any <i>advisory affiliate</i> to have made a false statement or omission, or been dishonest, unfair, or unethical?	<input type="radio"/> <input checked="" type="radio"/>
(2) ever found you or any <i>advisory affiliate</i> to have been <i>involved</i> in a violation of <i>investment-related</i> regulations or statutes?	<input type="radio"/> <input checked="" type="radio"/>
(3) ever found you or any <i>advisory affiliate</i> to have been a cause of an <i>investment-related</i> business having its authorization to do business denied, suspended, revoked, or restricted?	<input type="radio"/> <input checked="" type="radio"/>
(4) in the past ten years, entered an <i>order</i> against you or any <i>advisory affiliate</i> in connection with an <i>investment-related</i> activity?	<input type="radio"/> <input checked="" type="radio"/>
(5) ever denied, suspended, or revoked your or any <i>advisory affiliate's</i> registration or license, or otherwise prevented you or any <i>advisory affiliate</i> , by <i>order</i> , from associating with an <i>investment-related</i> business or restricted your or any <i>advisory affiliate's</i> activity?	<input type="radio"/> <input checked="" type="radio"/>
E. Has any <i>self-regulatory organization</i> or commodities exchange ever:	Yes No
(1) found you or any <i>advisory affiliate</i> to have made a false statement or omission?	<input type="radio"/> <input checked="" type="radio"/>
(2)	<input type="radio"/> <input checked="" type="radio"/>

found you or any *advisory affiliate* to have been *involved* in a violation of its rules (other than a violation designated as a "*minor rule violation*" under a plan approved by the SEC)?

- (3) found you or any *advisory affiliate* to have been the cause of an *investment-related* business having its authorization to do business denied, suspended, revoked, or restricted?
- (4) disciplined you or any *advisory affiliate* by expelling or suspending you or the *advisory affiliate* from membership, barring or suspending you or the *advisory affiliate* from association with other members, or otherwise restricting your or the *advisory affiliate's* activities?

F. Has an authorization to act as an attorney, accountant, or federal contractor granted to you or any *advisory affiliate* ever been revoked or suspended?

G. Are you or any *advisory affiliate* now the subject of any regulatory proceeding that could result in a "yes" answer to any part of Item 11.C., 11.D., or 11.E.?

For "yes" answers to the following questions, complete a Civil Judicial Action DRP:

- | H. (1) Has any domestic or foreign court: | Yes | No |
|--|-----------------------|----------------------------------|
| (a) in the past ten years, enjoined you or any <i>advisory affiliate</i> in connection with any <i>investment-related</i> activity? | <input type="radio"/> | <input checked="" type="radio"/> |
| (b) ever found that you or any <i>advisory affiliate</i> were <i>involved</i> in a violation of <i>investment-related</i> statutes or regulations? | <input type="radio"/> | <input checked="" type="radio"/> |
| (c) ever dismissed, pursuant to a settlement agreement, an <i>investment-related</i> civil action brought against you or any <i>advisory affiliate</i> by a state or <i>foreign financial regulatory authority</i> ? | <input type="radio"/> | <input checked="" type="radio"/> |
| (2) Are you or any <i>advisory affiliate</i> now the subject of any civil proceeding that could result in a "yes" answer to any part of Item 11.H.(1)? | <input type="radio"/> | <input checked="" type="radio"/> |

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-16369

In the Matter of

Arete Ltd.,

Respondent.

DECLARATION OF NICOLE L. NESVIG


1. I, Nicole L. Nesvig, do declare under penalty of perjury, in accordance with 28 U.S.C. § 1746, that the following statements are true and correct, and that I am over the age of 18 years old and am competent to testify to the matters stated herein:
2. I am employed as a senior paralegal with the Division of Enforcement of the United States Securities and Exchange Commission (“Commission”) in the Denver Regional Office.
3. I was asked by Polly Atkinson to perform a telephone number listing search on Arete Ltd., phone number [REDACTED] as listed in its Form ADVs.
4. I entered the phone number [REDACTED], into Consolidated Lead Evaluation and Reporting (“CLEAR”) a database that provides access to current and historical public records on individuals and business.
5. Records reflect that Arete Ltd.’s phone number [REDACTED], is registered to a [REDACTED] Longmont, Colorado 80504. See attached Exhibit 1.



6. I then entered the address of [REDACTED] Longmont, Colorado 80504 into CLEAR and records reflect that Gary C. Snisky resides at that address. See attached Exhibit 2.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on the 18th day of March, 2015.



Nicole L. Nesvig

EXHIBIT 1

Report Section Summary

- User-Supplied Information (1)
- Subject (1)
- Possible AKAs (6)
- Possible Addresses Associated with Subject (25)
- Possible Work Affiliations (6)
- Possible Utility Services (2)
- Phone Listings for Subject's Addresses (20)
- Possible SSN & Current Address Fraud Alerts (1)
- Possible Businesses Registered at Subject's Addresses (1)
- Possible Real-Time Vehicles (2)
- Possible Vehicles Registered to the Subject (2)
- Possible Vehicles Registered at Subject's Addresses (4)
- Possible Real Property Ownership & Deed Transfers (3)
- Possible Property Owners of Subject's Addresses (6)
- Possible Liens & Judgments (3)
- Possible Dockets (2)
- Possible Business Affiliations (2)
- Possible Marriages (1)
- User-Supplied Information (1)
- Subject (1)
- Possible AKAs (6)
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- Possible Vehicles Registered to the Subject (2)
- Possible Vehicles Registered at Subject's Addresses (4)
- Possible Real Property Ownership & Deed Transfers (3)
- Possible Property Owners of Subject's Addresses (6)
- Possible Liens & Judgments (3)
- Possible Dockets (2)
- Possible Business Affiliations (2)
- Possible Marriages (1)

User-Supplied Information

Name: SNISKY, GARY C
DOB: ██████████ 1966
SSN:

Address:

Subject

GARY C SNISKY

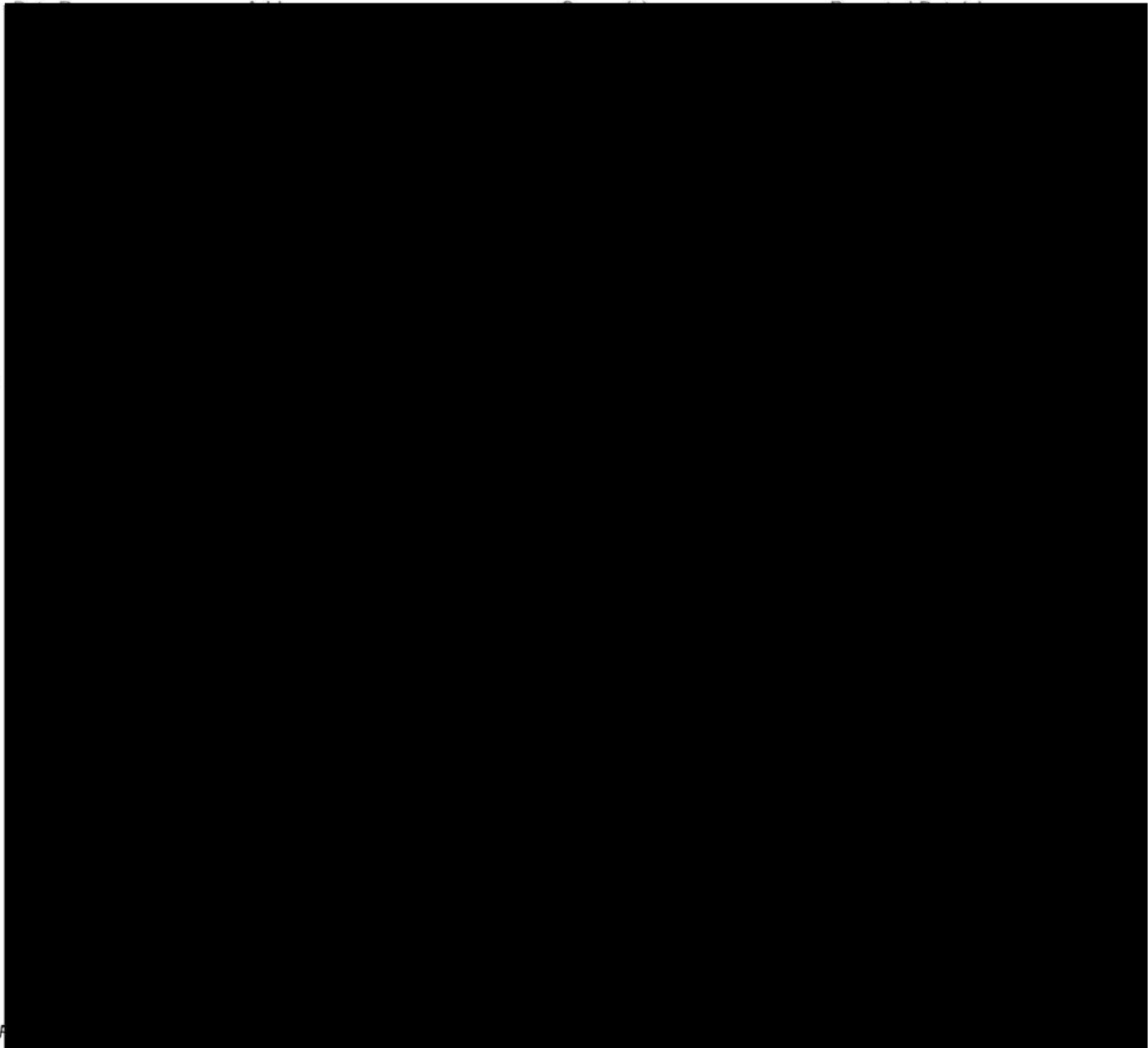
SSN: [REDACTED] - issued in NY between 1983-1985

DOB (Age): [REDACTED]

Possible AKAs

Name	SSN	DOB
SNISKY, GARY	[REDACTED]	
SNISKY, GARY CHRISTOPHER	[REDACTED]	
SNISLY, GARY C	[REDACTED]	
SNISKY, GARY CHRISTOPH	[REDACTED]	
SNISKY, GARY CHRISTOPER	[REDACTED]	
SNISKY, GARY C	[REDACTED]	

Possible Addresses Associated with Subject



1875

1876

1877

1875	1876	1877
1878	1879	1880
1881	1882	1883
1884	1885	1886
1887	1888	1889
1890	1891	1892
1893	1894	1895
1896	1897	1898
1899	1900	1901
1902	1903	1904
1905	1906	1907
1908	1909	1910
1911	1912	1913
1914	1915	1916
1917	1918	1919
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1923	1924	1925
1926	1927	1928
1929	1930	1931
1932	1933	1934
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1944	1945	1946
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1950	1951	1952
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1998	1999	2000
2001	2002	2003
2004	2005	2006
2007	2008	2009
2010	2011	2012
2013	2014	2015
2016	2017	2018
2019	2020	2021
2022	2023	2024
2025	2026	2027
2028	2029	2030
2031	2032	2033
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2064	2065	2066
2067	2068	2069
2070	2071	2072
2073	2074	2075
2076	2077	2078
2079	2080	2081
2082	2083	2084
2085	2086	2087
2088	2089	2090
2091	2092	2093
2094	2095	2096
2097	2098	2099
2100	2101	2102
2103	2104	2105
2106	2107	2108
2109	2110	2111
2112	2113	2114
2115	2116	2117
2118	2119	2120
2121	2122	2123
2124	2125	2126
2127	2128	2129
2130	2131	2132
2133	2134	2135
2136	2137	2138
2139	2140	2141
2142	2143	2144
2145	2146	2147
2148	2149	2150
2151	2152	2153
2154	2155	2156
2157	2158	2159
2160	2161	2162
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2862	2863	

THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION

In the Matter of:)
) File No. D-03447-A
ARETE LTD D/B/A SKY PEAK)
CAPITAL MANAGEMENT)

WITNESS: Brenda Loren Ridley
PAGES: 1 through 201
PLACE: Securities and Exchange Commission
5670 Wilshire Boulevard, 11th Floor
Los Angeles, California 90036
DATE: Wednesday, July 16, 2014

This above-entitled matter came on for hearing,
pursuant to notice, at 10:17 a.m.

Diversified Reporting Services, Inc.
(202) 467-9200

APPEARANCES:

On behalf of the Securities and Exchange Commission:
MATTHEW L. SKIDMORE, ESQ.
MARY BRADY, ASSISTANT REGIONAL DIRECTOR
(Via Telephone)
Securities and Exchange Commission
Denver Regional Office
1961 Stout Street
Suite 1700
Denver, Colorado 80294
(303) 844-1070

On behalf of the Witness
BRENDA LOREN RIDLEY, PRO SE



CONTENTS

1	WITNESS:	EXAMINATION	
2			
3	Brenda Loren Ridley	7	
4			
5	EXHIBITS:	DESCRIPTION	IDENTIFIED
6	1	Form 1661	7
7	2	Letter Dated June 19, 2014	8
8	3	Letter Dated December 16, 2013	11
9	4	Letter Dated January 10, 2014	24
10	5	Background Questionnaire	28
11	6	Complaint For injunctive And	
12		Other Relief	35
13	7	Stipulation For Permanent Injunction	
14		And Other Relief	37
15	8	Order For Permanent Injunction And	
16		Other Relief	38
17	9	Copy Of U4 Form	43
18	10	Filing With State of Wyoming Secretary	
19		Of State	78
20	11	Document From State of Wyoming Office	
21		Of Secretary Of State	79
22	12	Form ADV With File Date 11-27-2012	80
23	13	Copy Of \$8.00 Check	83
24	14	Irvine, California, Office Lease	84
25			

CONTENTS (CONT.)

1	EXHIBITS:	DESCRIPTION	IDENTIFIED
2			
3	15	Table Listing Customers Linked To	
4		Sky Peak Capital Management	90
5	16	Table Of Payments Supplied To Sky	
6		Peak Capital Management	97
7	17	July 26, 2013, Form ADV	98
8	18	E-mail String Re RIA In A Box	
9		Compliance	109
10	19	E-mail String Re Compliance	
11		Contract	116
12	20	Form ADV Filed August 2, 2013	119
13	21	E-mails Between Ms. Ridley And	
14		RIA In A Box	123
15	22	August 22, 2013, E-mail From	
16		Gary Snisky To Ms. Ridley	126
17	23	September 5, 2013, E-mail String	128
18	24	September 12, 2013, E-mail String	
19		Starting With Bryan Hill	130
20	25	September 12, 2013, E-mail String	
21		Starting With Chad Hartwick	133
22	26	September 13, 2013, E-mail String	137
23	27	September 18, 2013, E-mail String	139
24	28	September 27, 2013, E-mail String	143
25			

CONTENTS (CONT.)

EXHIBITS:	DESCRIPTION	IDENTIFIED
29	Form ADV Filed October 2, 2013	147
30	Form ADV Part 2A For Arete Limited	159
31	November 19, 2013, E-mail String	164
32	Various Documents Provided By Ms. Ridley	181

PROCEEDINGS

MR. SKIDMORE: All right. We're on the record at 10:17 on July 16, 2014. I'm Matthew Skidmore, and participating today by telephone is Mary Brady. We are members of the staff of the enforcement division of the Denver regional office of the United States Securities and Exchange Commission.

Your testimony today has been requested as part of a non-public investigation in the matter of Arete, Limited, doing business as Sky Peak Capital Management to determine whether there have been any violations of certain provisions of the federal securities laws.

However, the facts developed in this investigation might constitute violations of other federal or state civil or criminal laws. Your testimony, Ms. Ridley, is not pursuant to subpoena. Accordingly, you should understand that your appearance here is voluntary.

Ms. Ridley, do you understand that you need not answer any question and that you may leave at any time you wish?

MS. RIDLEY: Yes.

MR. SKIDMORE: Do you consent to being placed under oath?

MS. RIDLEY: Yes.

MR. SKIDMORE: Would the court reporter please swear in the witness.

THE REPORTER: Do you affirm the testimony you are about to give in this proceeding will be the truth, the whole truth, and nothing but the truth?

MS. RIDLEY: Yes.

Whereupon,

BRENDA LOREN RIDLEY was called as a witness and, having been first duly sworn, was examined and testified as follows:

EXAMINATION

BY MR. SKIDMORE:

Q Ms. Ridley, will you please state and spell your full name for the record.

A Brenda Loren Ridley. B-r-e-n-d-a, L-o-r-e-n, R-i-d-l-e-y.

Q Prior to the opening of the record, you were provided with a document that's been marked as Exhibit No. 1, which is a copy of the Commission's Form 1661. This form contains supplemental information concerning this proceeding. Exhibit No. 1 will be available to you during the course of this proceeding.

(SEC Exhibit No. 1 was marked for identification.)

BY MR. SKIDMORE:

Q Ms. Ridley, have you had a chance to review Exhibit No. 1?

A Yes.

Q And do you have any questions?

A Not at this time.

MR. SKIDMORE: Let's mark that.

(SEC Exhibit No. 2 was marked for identification.)

BY MR. SKIDMORE:

Q I'm handing you what has been marked as Exhibit No. 2 which is a letter dated June 19, 2014.

Is this a copy of the letter pursuant to which you are appearing here today?

A Yes.

Q Ms. Ridley, are you represented by counsel today?

A No.

Q You have the right to be accompanied, represented, and advised by counsel. This means that you may have an attorney present and that your attorney can advise you before, during, and after your examination here today.

Do you understand this?

A Yes.

Q Since you are not represented by counsel, there

1 A That is correct.
 2 Q Okay. And are the statements that you made in
 3 Exhibit No. 4 true and accurate?
 4 A Yes, sir.
 5 Q And -- go ahead.
 6 A Actually, if you look at No. 16 where it says
 7 "no bank or brokerage accounts were ever created" --
 8 there actually was a bank account that was created that I
 9 did not realize at that time Ms. Davis --
 10 When she sent me this information, I realized
 11 in looking at it that there was a small -- a small
 12 account for Arete Limited that was created. It never had
 13 any balance in it. I believe it was created in
 14 anticipation. But at the time that I prepared this
 15 response, I was not aware of it.
 16 Q Apart from what you just mentioned with respect
 17 to No. 16 in Exhibit No. 4, is everything in Exhibit No.
 18 4 true and accurate?
 19 A Yes, to the best of my knowledge.
 20 Q And for purposes of your testimony here today,
 21 do you adapt the statements in Exhibit No. 4?
 22 A Yes.
 23 Q I just want to -- I just want to focus on
 24 one -- one -- one area. Number -- if you look at No.
 25 12 --

1 A Yes.
 2 Q -- and -- and you've written:
 3 "No review on remote office as it was not
 4 staffed and no business conducted."
 5 A That is correct.
 6 Q Can you just -- can you just describe what
 7 you're referring to there.
 8 A Well, I can't really speak for what happened
 9 with this firm prior to my involvement. It was set up
 10 prior to me being involved, was not actually apparently
 11 accepted by the SEC until January of 2013 even though it
 12 was initially started in 2012.
 13 What I was told was the reason that it was set
 14 up in Wyoming -- there was -- it was set up in Wyoming
 15 because it was close to Colorado. And Mr. Snisky, who
 16 originally set the firm up, was planning on moving up
 17 there and finding an adviser up there. He and Alison
 18 Leary traveled -- physically traveled to the location,
 19 set up an office on Central Avenue, I believe, and
 20 began -- and began putting it together with RIA in a Box.
 21 When an opportunity that he had heard of came
 22 up in California, he decided to take that opportunity.
 23 He notified me and asked me if I would be willing to --
 24 since I lived in California, to become the adviser. And
 25 we would move everything to California. And I said yes

1 as long as everything is moved to California.
 2 So at that time, I believe, in January of
 3 2013 -- somewhere in that vicinity -- I'm not sure of the
 4 date -- we began looking into what it was going to take
 5 to move everything to California. So I was never
 6 involved in the Wyoming setup.
 7 I knew that he had not followed through on that
 8 because, prior to getting an adviser and moving, he made
 9 the decision to abandon that and move to California. And
 10 I -- and I informed him that the only way that I could be
 11 part of this was that everything had to be located in
 12 California.
 13 Q So, then, it sounds to me like you're saying
 14 the remote office is the office in Wyoming.
 15 A Yes, sir.
 16 Q Okay. And you've written "no business was
 17 conducted there"?
 18 A That is correct.
 19 Q And so as far as you know, there was no
 20 business ever conducted out of the Wyoming office for
 21 Arete.
 22 A That is correct.
 23 Q And if we could -- if -- if we could just --
 24 you've started to explain a little bit. If you could
 25 just start maybe from the beginning and explain to us --

1 well -- well, let's do this. Let's just get your -- I'd
 2 like to get your background questionnaire. You brought
 3 that in. So I just want to get that marked as an exhibit
 4 on the record, and then I'd like to talk a little bit
 5 about your -- from your point of view, how this
 6 started -- how Arete started, your involvement in it, and
 7 what you know about what happened.
 8 Okay?
 9 A Okay.
 10 Q All right. So let's -- so let's mark that.
 11 (SEC Exhibit No. 5 was marked for
 12 identification.)
 13 BY MR. SKIDMORE:
 14 Q Ms. Ridley, I'm handing you what has been
 15 marked as Exhibit No. 5. It appears to be a background
 16 questionnaire.
 17 Do you recognize this document?
 18 A I do.
 19 Q Can you describe what it is.
 20 A It's a background questionnaire for me.
 21 Q And did you -- did you fill out the responses
 22 in Exhibit No. 5?
 23 A I did.
 24 Q Okay. Did anyone assist you?
 25 A No, sir.

1 Q Okay. And are all of the statements contained
2 in Exhibit No. 5 true and accurate?
3 A Yes, sir.
4 Q And for purposes of your testimony today, do
5 you adopt all the statements contained within Exhibit No.
6 5?
7 A Yes, sir.
8 Q Under No. 7, you've listed your -- your
9 residence.
10 A Yes.
11 Q Okay. And so you have been in Bakersfield,
12 California, from 2011 to the present?
13 A Oh, no. I've been in Bakersfield since 1968.
14 Q So you have been at this current address --
15 A Yes.
16 Q -- in Bakersfield from 2011 to the present?
17 A Yes.
18 Q Ever have any addresses or residences in
19 Wyoming?
20 A No, sir.
21 Q And could you turn to the second page that has
22 your electronic mail addresses. And the first one is
23 listed as bretonfinancial@yahoo.com?
24 A Yes, sir.
25 Q And how long have you had that e-mail address?

1 A Several years.
2 Q And -- and did you search for e-mails that were
3 responsive to Exhibit No. 3 with respect to this e-mail
4 address, bretonfinancial@yahoo.com?
5 A I did.
6 Q The next one is listed --
7 And did you find any?
8 A No.
9 Q And when you say you searched those e-mails,
10 can you just describe what you did to try and search and
11 find documents responsive to Exhibit No. 3.
12 A I went back to the time frame of Arete. And I
13 went through every e-mail just to see what, if anything,
14 pertained to Arete, and it did not.
15 Q So you actually -- you actually read through
16 all of the e-mails for the period that you understand is
17 when Arete was operational; is that right?
18 A Yes.
19 Q And what -- so when would that have started --
20 the date, like, when you're saying that you would have
21 searched from?
22 A Probably -- it was, I think, March of 2013
23 because there was nothing prior to that.
24 Q March 2013. So is that -- does that apply to
25 all of your e-mail searches?

1 You started looking in March 2013?
2 A Yes. Because I didn't have any dealings with
3 anything prior to that.
4 Q And you searched from March 2013 to -- to what?
5 A To present.
6 Q To the present.
7 And that applies to all of the e-mail searches
8 that you did?
9 A Yes, sir.
10 Q The next one is [REDACTED]?
11 A Yes, sir.
12 Q And this is a personal e-mail account?
13 A Yes.
14 Q And did you search for documents responsive to
15 Exhibit No. 3 in this e-mail?
16 A I did.
17 Q Did you find any?
18 A I did not.
19 Q The next one is brenda@aionfinancial.com.
20 And this is a business e-mail?
21 A Yes.
22 Q And did you search for documents responsive to
23 Exhibit 3 in this account?
24 A I did.
25 Q And did you find any?

1 A I did.
2 Q And were all of those produced to the SEC?
3 A They were.
4 Q And the next one is
5 brenda@areteinvestmentadvisors.com.
6 And this is a business e-mail?
7 A Yes.
8 Q And did you search for documents responsive to
9 Exhibit 3 in this e-mail account?
10 A I did.
11 Q And did you find documents?
12 A I did.
13 Q And did you produce all of those documents
14 responsive to Exhibit 3 to the SEC?
15 A Yes.
16 Q And you have [REDACTED]
17 [REDACTED]
18 Is this a personnel e-mail account?
19 A Yes.
20 Q And did you search for documents responsive to
21 Exhibit No. 3 in this e-mail account?
22 A I did.
23 Q And did you find any responsive documents?
24 A No.
25 Q Are there any other e-mail addresses that you

1 Q Can you just help us understand who Mr. Hill is
2 and how he's involved.

3 A Bryan Hill is a real estate agent, and he is --
4 he actually introduced Mr. Snisky to Ms. Davis, and they
5 got together and were forming another company called Aion
6 Financial, which you've seen, which -- they were going to
7 still continue to do some real estate and private equity.
8 And then they wanted to set up a registered investment
9 advisory firm as well. They wanted to have it all kind
10 of within one office separate but yet together.

11 And so Bryan Hill was -- he was the one that --
12 that kind of brought everybody together. And Ms. Davis
13 was an attorney. So between him, Mr. Hill, and Mr.
14 Snisky, they decided to put this -- since Mr. Hill had
15 the real estate experience, Mr. Snisky had the private
16 equity experience, and then I was an investment adviser.
17 So we were going to put this together. And we were in
18 the process of finding a location, which we eventually
19 did, on Michaelson in Irvine. But in the meantime --

20 Q And when -- when approximately did you find
21 that?

22 A I don't remember. If you -- it would be in the
23 documents that I provided -- the lease documents.

24 So once we had the address, then we -- we got
25 serious with RIA in a Box and said, "Okay. We have a

1 anytime we needed something.

2 And so basically we -- we said, "Look. We want
3 this firm to be in complete compliance. What do we need
4 to do? Do it." And we went back and back and back and
5 forth. And every -- during the time frame all the way
6 through till -- all the way through 2013, we never got
7 everything fixed. Because we continued to find things
8 wrong, and we continued to ask them to make the change.
9 They could come back, and it wouldn't be changed. So we
10 would send it back again, and we would ask them questions
11 and vice versa.

12 And during that time, no business was ever
13 conducted. The firm was never marketed to anyone. No
14 income ever came in. No accounts were ever established.
15 Nothing was done because we were not in compliance. And
16 so we were of the thought -- my thought was nothing is
17 going out. Nothing is being done until I am convinced
18 that everything is the way it should be.

19 And I was working with Mr. Hill, Ms. Davis. We
20 would have conference calls with RIA in a Box. And we
21 would tell them this and -- okay. "This is changed.
22 Well, we need -- no. You didn't make the change here.
23 You made it here, but you didn't make it here." So
24 mainly that whole year was trying to figure out how to
25 get this firm moved and in compliance. And we never

1 physical location. Now how -- what do we need to do
2 to -- to -- to make this the location, to switch over the
3 owner from Mr. Snisky to Mr. Hill? We have a lot of
4 changes to make." As far as -- I went through it. I
5 went through the ADVs that had been originally set up and
6 started making corrections, changing addresses.

7 I don't know how or why there was even a
8 custodian on the ADV. There should never have been. We
9 never were ever going to have custody of any moneys. So
10 I went through and made changes that I could see. We
11 sent it in to RIA in a Box to make changes. In the
12 meantime simultaneously, we were still talking to them
13 about what paperwork needed to be filed to move it.

14 And it was -- it seemed like a very slow
15 process of them getting back with us about what needed to
16 happen. How much is this going to cost? What needs to
17 be filed with California," et cetera? Every time they
18 would send us back the ADV, we'd find more revisions to
19 make. Sometimes they wouldn't respond for weeks. We'd
20 send it back in.

21 During that time of 2013, we engaged them in a
22 compliance package -- Lexington Compliance. They are RIA
23 in a Box's compliance side. So you know, they know each
24 other. And so we paid \$249.50 a month to have them --
25 total access to them -- letters, phone calls, et cetera,

1 fully accomplished that, which is the reason why we never
2 conducted any business and we never marketed the firm in
3 any way, shape, or form.

4 Q Let me just ask you this. You talked a little
5 bit about "moving the firm."

6 What do you mean by that when you say moving
7 the firm?

8 A Well, I knew that it had been set up in
9 Wyoming. And there was never going to be any business
10 conducted in Wyoming because Mr. Snisky said we're not
11 going to -- we're going to move our operations to
12 California. Well, there were no real operations. But
13 instead of starting the firm and keeping it in Wyoming,
14 he decided he was going to possibly move his family out
15 to California.

16 So what I -- my concern was -- when I say
17 moving the firm, getting everything -- getting Wyoming
18 shut down, completed, moved, stopped, ceased, and having
19 everything set up and domiciled in California.

20 Q So what did you understand was in Wyoming?

21 A An address. A physical location that was going
22 to be the office how they decided to -- what their
23 original thought -- conduct business in Wyoming.

24 Q Was there an actual office?

25 A There was an actual lease, and I don't know how

1 long that lease was for, but it never gelled. It never
2 went anywhere.

3 Q Did you ever go to the office?

4 A I did not.

5 Q Do you know if anyone ever went to the office?

6 A They didn't. Not -- I do not know that
7 anybody -- the only people that I know that actually went
8 to the office would have been Mr. Snisky and Ms. Leary
9 because they actually were the ones that were -- that put
10 the lease together, I guess. There was never any
11 business or an adviser. So there was never any people --
12 client -- potential clients or clients that ever went
13 there.

14 Q So I just want to clarify. So you're saying
15 the only one -- you said the only ones who would have
16 gone there would have been Mr. Snisky and Ms. Leary.

17 A Correct.

18 Q You're not saying that they did go there.
19 You're just saying, if anyone did go there, it would have
20 been them.

21 A No. They did go there.

22 Q Oh, so you know that they did --

23 A Mr. Snisky told me -- I'm sorry.

24 Q You're saying you know that they did actually
25 go to the office in Wyoming.

1 of -- I wasn't there when they set up in Wyoming. The
2 only reason I agreed to become an adviser for this firm
3 was if it was domiciled in California. So the fact that
4 it was set up and registered in Wyoming -- I said we have
5 to change that and shut that down. I did not know what
6 the process was.

7 I asked RIA in a Box, who sets it up in the
8 first place, "What is that process? Let's get that
9 done." I don't know what it needs -- what needs to be
10 done, but we need to shut that operation down or that
11 registration -- I don't know what to call it because it
12 never actually became anything.

13 So it's kind of like if I went and rented an
14 apartment and never moved in and said okay. Never mind.
15 I may have rented it for a month, but I never moved in.
16 So there was never any activity there. And then I said,
17 "Never mind. I want to cancel my lease."

18 I know this is more than that. But basically I
19 said, "What is it that we need to do to not have the firm
20 registered in and located in Wyoming and have everything
21 in California? Because I am not licensed nor am I
22 domiciled in Wyoming, and I can't have anything to do
23 with that. I can only supervise in California. So we
24 need to do that immediately." That was what -- the
25 process that I started.

1 A Well, I don't personally -- like, I wasn't
2 there with them, but I know that Mr. Snisky told me that
3 he and Ms. Leary went and actually found a location and
4 set up a lease there. So he toured it. He found it. He
5 said, "I like this location. We're going to go ahead and
6 open an office here." So I know that he told me that he
7 physically visited that location, set up a lease. But
8 since there was never an adviser put there, there was no
9 reason for anybody else to go there.

10 Q And as far as you know, no one else ever did go
11 there?

12 A As far as I know, that is correct.

13 Q As far as you know, no advisory business was
14 ever conducted out of the Wyoming office?

15 A That is correct.

16 Q And when you say -- when you talk about
17 moving -- let's try to understand what you mean by moving
18 from Wyoming to California.

19 Are you talking about withdrawing as
20 withdrawing your registration as an SEC investment
21 adviser in Wyoming?

22 A Yes. Yes.

23 Q So how were you going to do that? What do you
24 mean?

25 A That was -- I was never -- I was not a part

1 Q And I'm just trying to understand -- I hear
2 what you're saying about -- about -- you know, you've
3 given the example of renting a place and moving. And I
4 see how that could apply to the office in Wyoming. You
5 weren't going to be there. There was not going to be any
6 business conducted out of there. But what I'm trying to
7 get a little more clarification on is what -- what did
8 you tell -- you know, what were you -- what exactly were
9 you telling RIA in a Box regarding SEC registration?

10 What exactly did you tell them?

11 A Because in Wyoming, Wyoming doesn't regulate
12 investment advisers. And so you have to register with
13 the SEC.

14 Is that what you're talking about?

15 Q Right. I'm trying to understand what you told
16 RIA in a Box or anyone else about registration with the
17 SEC especially as it relates to Wyoming.

18 A Oh, actually, RIA in a Box is the one that came
19 back to us and said, well, if you're moving from Wyoming
20 to California, you -- you no longer can be registered
21 with the SEC because in Wyoming we were supposed to be.
22 That's how we got accepted. And the paperwork that was
23 done to set up the RIA in the first place -- RIA in a Box
24 told Mr. Snisky and Ms. Leary, "This is what you have to
25 do." And they're the ones that registered with the SEC

1 A I did not have anything to do with this filing.
 2 Q But did you at some point see this filing?
 3 A After the fact.
 4 Q After the fact.
 5 And when did you see it?
 6 A You know, honestly I don't remember. It would
 7 have been -- because that was in -- it might have been in
 8 2012 or -- I mean, I honestly don't remember when I first
 9 saw it. Probably in 2013.
 10 Q And do you know who -- who did file this Form
 11 ADV?
 12 A It would have been Mr. Snisky and -- I think
 13 Mr. Snisky -- I mean, I know he used Ms. Alison Leary as
 14 his attorney and RIA in a Box. But I'm sure it was Mr.
 15 Snisky because his name is as the owner in this
 16 particular one.
 17 Q If you look at page 3 at the top there, there's
 18 a name and a phone number, an address and "Gary Snisky."
 19 Is this the Mr. Snisky you're talking about?
 20 A Yes.
 21 Q At this time, was he the president of Arete?
 22 A At this time, yes.
 23 Q And is that -- do you recognize that telephone
 24 number?
 25 A No. But that was probably a work phone number

1 or something.
 2 Q Do you recognize the -- the e-mail address
 3 listed down there just below gsnisky@areteltd.com?
 4 A I actually have seen it. But, I mean, honestly
 5 that's -- he had a lot of e-mail addresses. So that was
 6 not one that I was absolutely familiar with at the time.
 7 Q If you turn to the next page, it lists other
 8 offices. And then it says there's a [REDACTED]
 9 in Longmont, Colorado.
 10 Do you recognize that address?
 11 A I believe that is his home address.
 12 Q And if you turn to page 35 of 37, the person
 13 signing it there is Gary Snisky. And there's a date.
 14 November 16, 2012.
 15 Is his filing this consistent with everything
 16 you know about what transpired with Arete at this time
 17 period?
 18 A When he set it up, it was originally in
 19 Wyoming. And that was his intent -- was to do business in
 20 Wyoming.
 21 Q But you had nothing to do with this filing?
 22 A I did not.
 23 Q I'm handing you what has been marked as Exhibit
 24 No. 13. And it appears to be a copy of a check with some
 25 other cover documents. I'll give you a moment to look at

1 that.
 2 A Uh-huh.
 3 (SEC Exhibit No. 13 was marked for
 4 identification.)
 5 BY MR. SKIDMORE:
 6 Q Do you recognize these copies?
 7 A Uh-huh.
 8 Q Can you just describe what they are.
 9 A It's a copy that had something -- I don't
 10 remember what it was for. It had something to do with --
 11 with the filing for the RIA. But he needed \$8.00 for
 12 something with regard to the filing on it. But this was
 13 in 2013.
 14 Q When you say "he," who is --
 15 A Mr. Snisky.
 16 Q Mr. Snisky.
 17 So you're saying you remember he had asked you
 18 to send a check for \$8.00.
 19 A Yes. I do remember that.
 20 Q To FINRA?
 21 A Yes.
 22 Q And you think it had something to do with --
 23 A It had something to do with the filing that we
 24 needed in order for it to be in compliance at that time.
 25 And I don't remember what the fee was for exactly, but he

1 just asked me to send it.
 2 Q Why -- why would you have sent the \$8.00 check?
 3 A Because at that time, I believe I was -- he had
 4 put me on as the adviser. And although we were in the
 5 process of trying to figure out how to get into
 6 California, I was the adviser. So he just asked me to do
 7 that, and I said okay.
 8 Q So at this time, you were actively working with
 9 Mr. Snisky on the adviser.
 10 A Well, I was actively working in trying to move
 11 the advisory firm, but we never -- when you say "actively
 12 working," I never conducted any business as an adviser.
 13 I mean, the only thing he and I were working on was how
 14 to get the firm compliant. I mean, that -- honestly.
 15 Because we had no clients, and we weren't even trying to
 16 get clients.
 17 Q I'm handing you a document that's been marked
 18 Exhibit No. 14. It appears to be an office lease.
 19 A Okay.
 20 (SEC Exhibit No. 14 was marked for
 21 identification.)
 22 BY MR. SKIDMORE:
 23 Q Do you recognize this document?
 24 A Yes.
 25 Q Can you describe it?

1 A It's the lease for our building down in Irvine,
2 California, that I provided to Ms. Paula Weisz.

3 Q And the lease has some provisions. In 2.2, the
4 building -- it gives an address. 2600 Michaelson Drive,
5 Irvine, California.

6 That's the office space that you used?

7 A Yes.

8 Q And the target delivery date under 3.1 -- July
9 13, 2013 --

10 Does that sound right when you started working
11 out of that office space?

12 A Uh-huh.

13 Q And the initial term is a 39-month lease.

14 Does that sound right?

15 A Uh-huh.

16 Q And the tenant -- if you turn to the next page,
17 the tenant is listed as Aion Financial, Inc.?

18 A Uh-huh.

19 Q That's the -- that's a tenant? Not Arete?

20 A Right. Arete had a separate office in that
21 suite with a locked door, and I had the only key to it.
22 And RIA in a Box told us that that was acceptable.

23 Q So prior to this time -- this July 13, 2013,
24 where were you doing work in connection with Arete?

25 A Well, again, I wasn't doing any work.

1 Q Well, you had mentioned the work to try and get
2 moved to California and working with RIA in a Box.

3 That's what I'm talking about.

4 Where were you when you were doing this work?

5 A Just at my house.

6 Q So up until July 2013, you were working out of
7 your home?

8 A Correct.

9 Q And after July 13, 2013, were you working in
10 this office space?

11 A I would go down there a few times a week to try
12 to expedite getting this all completed in anticipation of
13 potentially moving down there.

14 Q And so was this -- was this, this California
15 address -- was this the principal --

16 Since there wasn't an office, was this the
17 principal office for Arete up to this time period?

18 A Yes.

19 Q After this time period -- after July 2013, was
20 any work done out of the Wyoming office?

21 A No. And there was no work done out of the
22 Wyoming office prior to that.

23 Q Are you still -- are you still going to this
24 office to work?

25 A No.

1 Q When did you stop going to this office to work?

2 A November of 2013.

3 Q And why did you stop going in November to work
4 at this office?

5 A Because we were dissolving -- we had made the
6 decision not to go forward with any of the businesses.

7 Q And did you -- did you have a key?

8 A I did.

9 Q And did you give that back?

10 A To Mr. Hill.

11 Q And you gave that back when?

12 A Probably in December.

13 Q And did you go take that to him? Did you mail
14 that to him?

15 A No. I left it on the front desk. Because he
16 and Ms. Davis were the only ones that had keys.

17 Q So you left -- sometime in December 2013, you
18 left your key on the desk, and that's the last time you
19 went to that office?

20 A Yeah. I haven't been to the office.

21 Can I make a comment?

22 Q Sure.

23 A I guess, you know, my -- my whole question
24 of -- of these proceedings is we -- we were doing
25 everything we could to make this firm compliant. And

1 during that whole entire time period, we did not conduct
2 any business. We did not market the firm. We did not
3 solicit any people. We did not hand out the paperwork
4 for the ADV brochures or anything to anybody because it
5 was not compliant at the time.

6 So my question is why -- why is -- what is the
7 intent here when there was no harm because there was no
8 business conducted and we were in the process of trying
9 to become compliant during this whole time frame?

10 Q Well, I think I understand your question.

11 And -- and, you know, you had mentioned you wanted to
12 make a comment, which you're welcome to do. And you're
13 welcome to ask questions too, but we're not in a position
14 where we answer questions during -- during the testimony.
15 So I can't -- can't answer your question.

16 But if -- you know, you're welcome to ask. And
17 you're welcome to make comments. That's what we're
18 looking for -- is to get your comments. But I'm not --
19 I'm not here to answer questions on the record about what
20 the SEC is doing. Right now, we're just -- right now,
21 we're just -- we have an investigation, and we're just
22 gathering facts. We're just trying to learn the facts,
23 learn what happened. That's -- that's the purpose of what
24 we're doing here today -- all we're trying to do.

25 A Okay.

1 And he just said, you know, "This is what we
2 did. This is what we wanted to do." I just wanted to
3 make sure that I totally understood his intent and her
4 intent on setting it up in the first place.

5 And I really wanted to see if I could get the
6 name of the landlord for the lease back there, but he did
7 not remember the name.

8 Q So when you say "the lease back there," you
9 mean Wyoming?

10 A Yes.

11 Q And so what -- when you asked him to clarify
12 his intent for why -- I think what you're saying is for
13 why they started the investment adviser in Wyoming.
14 What -- is that correct?

15 That was what you mean by "clarifying his
16 intent" for why they started in Wyoming?

17 A Yes.

18 Q What did he tell you?

19 A He just basically said that it was -- he talked
20 to RIA in a Box, and they suggested for -- I don't know
21 if it had to do with tax purposes or whatever. They
22 suggested Delaware, Nevada, or Wyoming. Wyoming was
23 closest to where he was. So he said okay. Wyoming. And
24 so he said, "I don't have a problem going there" and that
25 he could travel there and find a physical location that

1 would work. And that was his origin intent.

2 Q It was Delaware and where?

3 A Nevada.

4 Q So it was -- so RIA in a Box had actually made
5 some suggestions to Mr. Snisky?

6 A That's what I was told.

7 Q And he told you that they had given him these
8 three states that he could choose from?

9 A Yeah.

10 Q And -- and so -- and so what else did he say
11 about that?

12 A That's really about it. He didn't have any
13 other information that he could tell me. I already had
14 the address.

15 Q And how did he -- how did he choose -- you said
16 Delaware, Nevada, Wyoming.

17 A Logistics.

18 Q Just that he was closest to Wyoming?

19 A Yes.

20 Q Any other reasons besides just that he was
21 closest to there?

22 A No. That -- that's what he said.

23 Q Anything else that he said to you?

24 A Not really, no.

25 Q Anyone other than Davis, Booth, or Snisky that

1 is aware that you were coming here to testify?

2 A No.

3 MR. SKIDMORE: I think that's all questions I
4 have for you right now.

5 THE WITNESS: Okay.

6 MR. SKIDMORE: If we need to talk to you again,
7 we'll reach out to you. We'll let you know.

8 Is there anything that you want to clarify or
9 add to any statements that you made today?

10 THE WITNESS: Not that I can think of. I just
11 go back to the same thing. It's a process. We were
12 still in the process of -- of trying to become compliant,
13 relying on the expertise of RIA in a Box. And we hadn't
14 gotten there yet. And that is the reason why we did not
15 solicit, market, or otherwise engage in any kind of
16 activity in the firm. That's the bottom line.

17 MR. SKIDMORE: Okay. Anything else?

18 THE WITNESS: Not that I can think of.

19 MR. SKIDMORE: Okay. It's 3:50, and we are off
20 the record July 16, 2014.

21 (Whereupon, at 3:50 p.m., the examination was
22 concluded.)

23 * * * * *

1 PROOFREADER'S CERTIFICATE

2
3 In the Matter of: ARETE LTD D/B/A SKY PEAK
4 CAPITAL MANAGEMENT

5 Witness: Brenda Loren Ridley

6 File Number: D-03447-A

7 Date: Wednesday, July 16, 2014

8 Location: Los Angeles, CA

9
10 This is to certify that I, Donna S. Raya,
11 (the undersigned), do hereby swear and affirm that the
12 attached proceedings before the U.S. Securities and
13 Exchange Commission were held according to the record and
14 that this is the original, complete, true and accurate
15 transcript that has been compared to the reporting or
16 recording accomplished at the hearing.

17
18
19 _____
(Proofreader's Name) (Date)

January 2, 2014

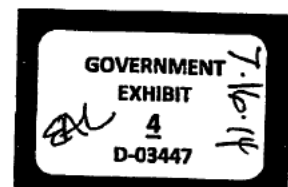
Paula Weisz
Staff Accountant
SEC
1801 California Street, Ste 1500
Denver, CO 80202-2656

Re: Sky Peak Capital Management
File No. 801-77422

Dear Ms. Weisz:

This is in response to your exam on the above named RIA. I am responding to each numbered request in kind.

1. Organizational chart is included with documents sent via secure file sharing. As per our discussion, the only change in ownership occurred earlier this year when Aion Financial Inc. replaced Gary Snisky as owner. Bryan Hill owns 100% of Aion Financial Inc.
2. I have included the 3 pages I have access to regarding the formation of Arete LTD dba Sky Peak. They are labeled Corp Doc1, 2, & 3 in file sent to you.
3. There are nor have there ever been any employees, reps, officers or directors other than myself & Bryan Hill (owner of Aion Financial Inc.)
4. Included a copy of the lease in the file sharing sent to you. Labeled Office Lease 1 & 2. I had a locked office within the suite that was conspicuously labeled with a door plate, accessible only to me and a direct phone line not available to anyone else. Aion Holdings officers had access to the other offices and consisted of: Bryan Hill and Kim Davis, Esq.
5. See #4 above. See attached file.
6. RIA in a Box provided Arete with an Investment Advisory Contract (labeled Arete IAC in file sent to you). This contract was never completely revised and as such was never handed out to anyone.
7. Copies of ADV 2A & 2B are also attached to secure files sent – and per our conversation, not finished being corrected and updated and therefore never given to anyone.
8. Copy of litigation Order is also included in files sent. Case has been closed for my part but not for Mr. Snisky. My attorney advised me that although I did not sell, solicit, transact or receive any compensation, the case would be costly to defend and to accept the stipulation.
9. See #8 above.
10. Compliance manual is included in files sent to you.
11. No testing was done as no business was conducted.
12. No review on remote office as it was not staffed and no business conducted. No other IAR's ever worked with Sky Peak/Arete LTD.
13. No marketing pieces were created or furnished to anyone.
14. No financial statements were created as no business was conducted.
15. No general ledger was created as no business was conducted.
16. No bank or brokerage accounts were ever created as no business was conducted.
17. No trade blotters were created as no business was ever conducted.
18. No securities held as no business was conducted so no clients exist.
19. No clients of Sky Peak/Arete LTD exist.



20. No advisory clients exist currently, nor have in the past. No business has every been conducted by Sky Peak/Arete LTD.
21. No clients, therefore no assets have ever been received.
22. No advisory clients have been lost as there have never been any to lose.
23. No unregistered, pooled investment vehicles sponsored by Advisor.
24. No private investment fund offered, therefore, no information to submit.
25. No entity that had any custody of any funds. No business conducted.
26. Emails are forthcoming
27. Detailed description is: Advisor did not have any business dealings with Mr. Snisky other than he was the original owner of the RIA. Once he removed himself as owner, no longer any business dealings with him. He was an outside consultant to Aion Real Estate & Aion Management with regard to help with structuring of the real estate and bond program Mr. Hill was forming. The RIA was mutually exclusive from these entities.

I hope this answers your questions with regard to your request. I will send the files and emails by separate cover.

Thank you,

Brenda Ridley

BACKGROUND QUESTIONNAIRE

For Brenda Ridley

Please respond to the following questions in the space provided. If you need additional space for any response, you may attach additional pieces of paper.

Today's date: 7/8/14

1. What is your full name?
Brenda Loren Ridley

2. Have you ever been known by any other name? Yes No

If yes, list each such name and the period(s) in which you were known by that name,
Brenda Loren Bernstein 12/29/62 - 12/8/84

3. Social Security Number? [REDACTED] - [REDACTED]

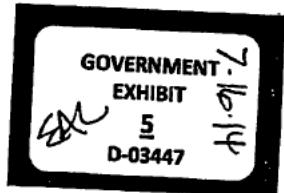
4. Date and Place of Birth? [REDACTED] - Los Angeles

5. Country of Citizenship? USA

6. Marital Status? [REDACTED]
If you have ever been married, state for each marriage: (i) the date(s) of the marriage; (ii) the name of your spouse; and (iii) your spouse's maiden name, if any.
[REDACTED]

7. List all residences you occupied at any time during the last [three] years, including vacation homes, beginning with your current residence. For each residence, state the address, dates of residence, and all telephone numbers (including facsimile numbers) listed at that address.
[REDACTED]

8. List all telephone numbers and telephone credit card numbers that were in your name or that you regularly used at any time during the last [three] years. Include all residential, business, car, credit card, internet telephony (VOIP), and cellular telephone numbers, including those listed in your response to question 8. For each telephone number, state



Background Questionnaire

Brenda Ridley

Page 2

the name(s) of the corresponding long distance carrier(s) (e.g., Sprint, MCI, AT&T), or VOIP carrier(s) (e.g. Vonage, NET2Phone, Skype) if any.

9. List the universal resource locator (URL) for all websites or blogs that you established or for which you had the authority to control content, at any time during the last [three] years. For each website, state the name(s) of the domain name registrar (e.g. GoDaddy) through which the URL was obtained, the name(s) of all individuals or entities who provided web site hosting or design services, whether the website contained primarily business or personal information, and the time period in which it was active.

NONE

10. List all electronic mail (email) addresses that were in your name or that you regularly used at any time during the last [three] years. For each electronic mail (email) address, state the name(s) of the corresponding internet service provider(s) (e.g., Google, Yahoo, AOL, or your employer), whether the address was used primarily for business or personal correspondence, and the time period in which it was active.

11. List all usernames for instant messaging and similar electronic communication services (including, but not limited to, Bloomberg, Skype, whatsapp), other than those listed in your response to questions 9 through 11, that were in your name or that you regularly used at any time during the last [three] years. Include all personal, business and shared addresses. For each user name, state the name(s) of the communication service provider (e.g., Google, AOL, etc.), whether the address was used primarily for business or personal correspondence, the time period in which it was active, and the name of the software application(s) (e.g., GTalk, ICQ, MSN Messenger) you used to access it.

NONE

12. List all social networking accounts (e.g., Facebook, LinkedIn, Twitter), other than those listed in your response to questions 10 through 12, that were in your name or that you

regularly used at any time during the last [three] years, including your username, handle or other identifier used by the social networking site to identify your account.

Facebook - very, very rarely use - no bus - only
personal use

13. List all internet message boards or discussion forums (including, but not limited to, Money Maker Group, PNQI Message Board, Investors Hub Daily) of which you were a member or on which you posted any messages at any time during the last three years. For each message board or discussion forum, state the service provider and your member name or identification information.

NONE

PUBLICLY-HELD COMPANIES

14. Are you now, or have you ever been, an officer or director of any publicly-held company? Yes No

If yes, identify each such company and state your positions and the dates you held each position.

N/A

15. Are you now, or have you ever been, a beneficial owner, directly or indirectly, of five per cent or more of any class of equity securities of any publicly held company?

Yes No

If yes, identify each such company, and state the amount, percentage, and dates of your ownership.

N/A

PRIOR PROCEEDINGS

16. Have you ever testified in any proceeding conducted by the staff of the Securities and Exchange Commission, a federal or state agency, a federal or state court, a stock exchange, the Financial Industry Regulatory Authority ("FINRA") or any other self-regulatory organization ("SRO"), or in any arbitration proceeding related to securities transactions? Yes No

If yes, for each such proceeding, identify: (i) the title of the proceeding; (ii) the organization or agency; and (iii) the date(s) on which you testified.

N/A

17. Have you ever been deposed in connection with any court proceeding? Yes No

If yes, for each such proceeding, identify: (i) the title of the proceeding, and (ii) the date(s) on which you were deposed.

N/A

18. Have you ever been named as a defendant or respondent in any action or proceeding brought by the SEC, any other federal agency, a state securities agency, FINRA or any stock exchange? Yes No

If yes, for each such proceeding, identify: (i) the title of the proceeding; (ii) the agency or tribunal; (iii) the substance of the allegations; (iv) the outcome of the proceeding; and (v) the date of the outcome.

i Fred Joseph v Gary Smusky, Colony Colony Cap, David Buch, Brenda Ridley
ii Securities Commissioner
iii Selling sec w/o lic (Never sold anything)
iv Stipulation - no selling in CO - no admit & guilt
v Dec 2013

19. Have you ever been a defendant in any action (other than those listed in response to question) alleging violations of the federal securities laws? Yes No

If yes, for each such proceeding, identify: (i) the title of the proceeding; (ii) the court or tribunal; (iii) the outcome of the proceeding; and (iv) the date of the outcome.

See goes 18 -
no other

20. Have you ever been a defendant in any criminal proceeding other than one involving a minor traffic offense? Yes No

If yes, for each such proceeding, identify: (i) the title of the proceeding; (ii) the court or tribunal; (iii) the outcome of the proceeding; and (iv) the date of the outcome.

EDUCATIONAL HISTORY

21. Provide the requested information about each educational institution that you have attended beyond junior high school, beginning with the most recent and working backward to the date that you completed high school.

Cal State Bakersfield
Name of School
Bakersfield CA USA 93309
City State Country Zip Code
[Redacted] BS-Bus Ad [Redacted]
Date Degree/Major Month/Year of Degree

Bakersfield College
Name of School
Bakersfield CA USA 93306
City State Country Zip Code
[Redacted] AS [Redacted]
Date Degree/Major Month/Year of Degree

Garcas Memorial HS
Name of School
Bakersfield CA USA 93305
City State Country Zip Code
[Redacted] [Redacted] [Redacted]
Dates of Attendance: Month/Year to Month/Year Degree/Major Month/Year of Degree
[Redacted] Diploma [Redacted]

Name of School
City State Country Zip Code
Dates of Attendance: Month/Year to Month/Year Degree/Major Month/Year of Degree

22. Other than courses taken in connection with institutions listed in response to question 22, list any securities or business related courses taken since high school. For each such course, identify the date that the course was completed and the name of the institution or organization that offered the course.

NONE

PROFESSIONAL LICENSES/CLUBS

23. Do you hold, or have you ever held, any professional license? Yes No

If yes, for each such license, identify: (i) the license; (ii) the licensing organization; (iii) the date the license was awarded; (iv) the date such license terminated, if applicable; (v) the date(s) of any disciplinary proceeding(s) against you; and (vi) the outcome of any such disciplinary proceeding (e.g., reprimand, suspension, revocation).

① Life/Acc/Health Ins Lic - State of CA
1996 - active - no discipline

② Series 6.63, 26, 1998 - CA - Non-active -
no discipline

③ Series 65 2012 - CA - Non-active

Background Questionnaire

Brenda Ridley

Page 7

24. Are you, or have you ever been, a member of any professional or business club or organization? Yes No

If yes, list for each: (i) the name of the club or organization; (ii) its address; and (iii) the date(s) of your membership.

_____ N/A

25. Are you, or have you been in the last three years, a member of any social clubs, charities or nonprofit organizations? Yes No

If yes, list for each: (i) the name of the social club, charity or nonprofit organization; (ii) its address; and (iii) the date(s) of your membership.

_____ N/A

26. Are you, or have you ever been, an employee of a broker, dealer, investment adviser, investment company, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization? Yes No

If yes, list for each: (i) CRD number; (ii) SEC File number; (iii) CUSIP number; (iv) employer name; (v) your title; and (vi) dates of your employment.

_____ N/A

EMPLOYMENT HISTORY

27. State your employment activities, beginning with the present and working backward to the date that you completed college.

Self - Employed - Sole Prop Owner
Employer's Name/Self-Employment
Employer's Street Address
City State Country Telephone Number Zip Code
Bakersfield CA 93312
1996 - Present
Dates of Employment: Month/Year To Month/Year

Guinn Construction Controller
Employer's Name/Self-Employment
Employer's Street Address
City State Country Telephone Number Zip Code
Rose Dale Hwy
Bakersfield CA USA
6/96 - 12/97
Dates of Employment: Month/Year To Month/Year

Rain For Rent Inventory Mgr
Employer's Name/Self-Employment
Employer's Street Address
City State Country Telephone Number Zip Code
State Street
Bakersfield CA USA 93308
10/89 - 6/96
Dates of Employment: Month/Year To Month/Year

Daniels Phillips Vaughn d/Bock Accountant
Employer's Name/Self-Employment
Employer's Street Address
City State Country Telephone Number Zip Code
New Stine Rd
Bakersfield CA USA 93308
1/87 - 10/89
Dates of Employment: Month/Year To Month/Year

— Don't remember specific dates
of these CPA firms —

Covered
1986-
1987

Date Bender CPA
Employer's Name/Self-Employment Your Title

Employer's Street Address Telephone Number

City State Country Zip Code

Dates of Employment: Month/Year To Month/Year

Reishman Penny & Brennan (No longer in bus)
Employer's Name/Self-Employment Your Title
CPA's

Employer's Street Address Telephone Number

City State Country Zip Code

Dates of Employment: Month/Year To Month/Year

Skiles & Bernatene (No longer in bus)
Employer's Name/Self-Employment Your Title

Employer's Street Address Telephone Number

City State Country Zip Code

Dates of Employment: Month/Year To Month/Year

CONTINUE ON ADDITIONAL SHEETS IF NECESSARY

<p>DISTRICT COURT, CITY AND COUNTY OF DENVER, COLORADO</p> <p>1437 Bannock Street Denver, CO 80202</p> <hr/> <p>FRED J. JOSEPH, Securities Commissioner for the State of Colorado,</p> <p>Plaintiff,</p> <p>v.</p> <p>GARY SNISKY individually and d/b/a COLONY CAPITAL, COLONY CAPITAL GROUP, COLONY CAPITAL INVESTMENTS and COLONY CAPITAL HOLDINGS, DAVID BURCH and BRENDA RIDLEY d/b/a BRETON FINANCIAL,</p> <p>Defendants.</p>	<p>DATE FILED: February 28, 2013 3:34 PM FILING ID: CA30F3DB CASE NUMBER: 2013CV30947</p> <p style="text-align: center;">▲ COURT USE ONLY ▲</p>
<p>JOHN W. SUTHERS, Attorney General RUSSELL B. KLEIN, First Assistant Attorney General* 1525 Sherman Street, 7th Floor Denver, CO 80203 Telephone: 303-866-5287 FAX: 303-866-5395 E-Mail: Russell.klein@state.co.us Registration Number: 31965 *Counsel of Record</p>	<p>Case No.</p>
<p>COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF</p>	

Plaintiff, Fred J. Joseph, Securities Commissioner for the State of Colorado, by and through his counsel, the Colorado Attorney General, and for his Complaint against the Defendants Gary Snisky, individually and d/b/a Colony Capital, Colony Capital Group, Colony Capital Investments and Colony Capital Holdings, and David Burch, and Brenda Ridley d/b/a Breton Financial alleges as follows:

JURISDICTION AND VENUE

1. Plaintiff Fred J. Joseph is the Securities Commissioner for the State of Colorado (the "Commissioner") and is authorized, pursuant to § 11-51-703, C.R.S., to administer all provisions of the Colorado Securities Act (the "Act"). Pursuant to § 11-51-



602, C.R.S., the Commissioner is authorized to bring this action against Defendants and to seek temporary, preliminary, and permanent injunctive relief and other equitable relief against Defendants upon sufficient evidence that Defendants have engaged in or are about to engage in any act or practice constituting a violation of any provision of the Act.

2. Venue is proper pursuant to § 11-51-602(1), C.R.S. in the district court for the city and county of Denver, Colorado.

SUMMARY OF ALLEGATIONS

3. From at least July, 2008 through July, 2010, Defendant Gary Snisky through Snisky's family of companies operating under the common name of Colony Capital, carried out a scheme to defraud investors through the use of an investment in a so-called "private equity fund." Dozens of investors were induced to invest at least \$3.2 million with the promise of an annual rate of return on their investment based on the misrepresentations and omissions of the risks of making the investment.

4. Snisky failed to disclose even rudimentary information to the investors. Investors were unaware that Snisky intended to use their investment proceeds to pay such things as commissions, personal expenses of Snisky, including mortgage payments, the nature and amount of fees to be charged, and a percentage of any profits. Even worse, despite representations regarding the type of investments that would be made, investor funds typically sat in bank accounts, with infrequent, short-duration investments being made. During this time period, Snisky caused the fund to pay him close to three quarters of a million dollars. The sales of the investments constituted violations of the registration and licensing provisions of the Colorado Securities Act ("Act"). The omissions and misrepresentations by the Defendants constitute violations of the anti-fraud provisions of the Act.

THE DEFENDANTS

5. Defendant Gary Snisky ("Snisky") is an adult male individual, whose last known address is [REDACTED] Longmont, Colorado 80504. Defendant Snisky is the control person for the various Colony Capital entities and did business under at least the following names: Colony Capital, Colony Capital Holdings, Colony Capital Group, and Colony Capital Investments (collectively, the "Colony Entities").

6. Defendant David Burch ("Burch") is an adult male individual, whose last known address is [REDACTED], Aurora, Colorado. At all times relevant to this Complaint, Burch was not licensed as a sales representative.

7. Defendant Brenda Ridley (“Ridley”) is an adult female individual, whose last known address is [REDACTED] Bakersfield, California. At all times relevant to this Complaint, Ridley was not licensed as a sales representative. Ridley also does business under the name Breton Financial.

GENERAL ALLEGATIONS

8. Utilizing unlicensed sales agents and general solicitation and marketing over the internet to raise investor funds, Snisky, used Colony LP, Colony Group, Colony LLC and Colony Holdings to market securities to investors by selling limited partnership interests in the fund. Snisky marketed Colony as a “Colorado based Private Equity Fund for Accredited Investors” and that the investment objective was “one of true diversification, a strength in today’s market volatility.” Snisky represented that there would be investments in equities (stocks) and real estate holdings.

9. Although the theme of the known investments remained the same – investment in Colony Capital Holdings for the purpose of funding and generating returns – the investment documents evolved over time from a memorandum of understanding, to a limited partnership agreement backed by a subscription agreement for investors. The fundamentals underpinning each known investment remained the same: Each investment was an investment contract between Colony Capital Holdings, to provide funding for Snisky and Colony Capital Holdings to then invest in collateralized mortgage obligations (“CMOs”). CMOs are a type of structured special purpose entities that are designed to hold pools of mortgages. CMOs then sell bonds to investors, who in exchange receive payments from the income generated by the pooled mortgages according to preset rules for payment. Snisky undertook management of all investment decisions and asset selection and management for the funds and acted as an investment adviser to the Colony fund.

10. Utilizing these fund-raising strategies, Snisky himself, and through the use of his sales representatives raised at least \$726,435.00 through the issuance of MOUs, and then substantial additional funds through the limited partnership phase of the investment.

11. Each MOU investment offered by Snisky was signed by Snisky. The MOU phase of the investment started in at least October, 2008 and continued through at least August, 2009. All of the MOUs were signed by Snisky on behalf of Colony Capital Holdings or “Colony Capital.” At least one of the MOUs was also signed by Ridley on behalf of her personal entity, Breton Financial. Finally, each MOU appears to have been signed by the investors themselves. As an example, an MOU was dated October 1, 2008 and

was signed by investor MM, Ridley through Breton Financial, and Snisky as CEO of "Colony Capital." That investment reflected an investment of \$398,335.00 by MM to Colony Capital Holdings for the purpose of an investment in CMOs. While the MOU contains a description of what a CMO is, the MOU contains no explanation of the risks associated with investing in a CMO.

12. Subsequent investments offered by the Defendants were backed by a subscription agreement that reflected the acquisition of limited partnership interests in the Colony Capital Holdings investment. Through these subscription agreements, investors put in variable amounts of money.

13. The limited partnership was marketed to investors as an investment vehicle that would invest in a portfolio "to protect principal and maximize return" by investing in real estate and investments in equities using strategies such as short selling (a strategy of selling securities that you do not own with the anticipation that the value will decrease over time), calls and puts (option contracts that give the holder of the option a right to buy (calls) or a right to sell (puts) at a given price during the life of the contract, and other strategies including investment in foreign securities, when in fact such strategies are highly speculative and risky. The limited partnership would seek to raise up to \$500 million and the minimum investment by a limited partner would be \$250,000

14. Ultimately, the limited partnership investment was merely a continuation of Snisky's strategy of raising investor funds for the purposes of CMO and real estate investing in that it was merely a formalization of the investment strategy already in place. According to a private placement memorandum obtained by the Division of Securities, Colony Holdings was designated as the manager of the fund, and was entitled to receive a management fee of 1% of the net asset value ("NAV") per year. In addition, Colony Holdings was entitled to a share of the profits as a part of the distribution to the limited partners. On information and belief, the private placement memorandum was never given to investors.

15. In addition to marketing the Colony Entities securities to investors directly and indirectly through sales representatives Burch and Ridley, Snisky also served the role of investment adviser as manager of the Colony Entities, in particular, for Colony Capital Holdings LLC.

16. In his role as investment adviser, Snisky retained sole and exclusive power to determine which investments were appropriate to make, when to make the investments, and

when to pull out of the investments. Snisky received or drew compensation for his role in managing the investments of the Colony Entities.

The Defendants' Ongoing Scheme with Investors

17. Snisky and the Colony Entities attempted to raise money through various avenues. In addition to utilizing Burch and Ridley as unlicensed sales representatives, Snisky and the Colony Entities operated a website utilizing the web address of <http://www.colonycapital.net> that marketed itself as a Colorado-based private equity fund that marketed itself as a “fund with a conscience” People visiting the website were invited to contact Colony Capital by downloading and completing a “Colony Capital Accredited Client form.”

18. At no time were the investments offered by Snisky, Burch, Ridley, and the Colony Entities registered with the Colorado Securities Commissioner, nor were the investments exempt from registration.

19. Nor were any of the Defendants properly licensed in Colorado. Neither Burch nor Ridley held licenses as sales representatives. Despite this failure to be licensed, Burch and Ridley each engaged in the business of effecting purchases for sales of securities for the accounts of others.

20. In addition Snisky, despite managing investments for the fund, was not licensed as an investment adviser or an investment adviser representative. Despite this failure to be licensed, in the management of the investment funds underlying the Colony Entities, Snisky, for compensation, engaged in the business of advising others as to the value of the securities or in the advisability of investing in, purchasing, or selling the securities that formed the underlying Colony Capital Holdings investments.

21. In soliciting potential investors in the fund, in offering investments in the fund, and in reporting to the investors after they had invested, Defendants, directly or indirectly, failed to disclose material facts to investors, including but not limited to, the following:

- a. Any risks associated with the investment in the Colony Entities including the risk of full investment loss.
- b. The use of investment proceeds to pay such things as commissions, personal expenses of Snisky, mortgage payments, the nature and amount of fees to be charged, and a percentage of any profits.
- c. The risks of investing in short selling strategies, CMOs, foreign currency, and option contracts.

- d. The actual investments that were made by Snisky and performance of the fund.
- e. That the Colony Entities were not licensed as broker dealers and/or sales representatives.
- f. The financial condition of the Colony Entities.
- g. The past performance of the Colony Entities.

22. The Commissioner is aware of at least twenty individuals that have invested with the Defendants. The following sub-paragraphs detail the known scheme to defraud investors and the acts, practices and course of business engaged in by the Defendants to defraud investors, and is typical of the conduct engaged in by the Defendants with other investors:

a. In or about October, 2009, sales representative Burch invested approximately \$106,000 of investor IY's retirement funds in bonds offered through the Colony Entities. During the course of the investment, Burch did not advise IY regarding what her retirement funds were being invested in, and did not provide any type of prospectus, private placement memorandum, or other disclosure documents prior to making the investment. Burch represented to IY that there was no risk of losing her principal in this investment. In connection with the offer or sale of the Colony Entities securities to IY, Burch, Snisky and the Colony Entities failed to disclose to IY material facts, including but not limited to the following: (1) Snisky's and Burch's compensation in connection with the Colony Entities and for making the IY investment; (2) the fact that neither Burch, Snisky, nor the Colony Entities held licensure as a broker dealer, sales representative, investment adviser, and/or investment adviser representative; and (3) the risks associated with the investments with the Colony Entities.

b. In or about August, 2009, sales representative Ridley solicited investor TW, who subsequently invested \$90,000 with the Colony Entities based in part upon Ridley's representations that she would receive an approximately 200% return above her initial principle investment. Ultimately, Ridley induced TW to enter into an MOU with the Colony Entities, which promised that in exchange for the \$90,000 investment, TW's funds would be invested in CMOs. Ridley and the Colony Entities represented that TW would begin receiving monthly interest payments on her investments in December, 2009 of approximately \$2,300 per month. To facilitate the investment, Ridley accompanied TW to a bank where she (TW) made a direct deposit into an account for Colony Capital Holdings, LLC Attn: Gary Snisky. TW was not provided a prospectus, private placement memorandum, or other disclosure

documents. At one point during the investment, Ridley claimed that TW's returns were delayed because the money was tied up in Hong Kong and that President Barack Obama had changed the rules making it difficult to get their money back from Hong Kong. TW received a few payments for significantly less than what was promised for her investment, with some of the payments apparently drawn on an account controlled by Ridley, rather than Snisky or the Colony Entities. In connection with the offer or sale of the Colony Entities securities to TW, Ridley, Snisky, and the Colony Entities failed to disclose to TW material facts, including but not limited to the following: (1) Snisky's and Ridley's compensation in connection with the Colony Entities and for making the TW investment; (2) the fact that neither Ridley, Snisky, nor the Colony Entities held licensure as a broker dealer, sales representative, investment adviser, and/or investment adviser representative; and (3) the risks associated with the investments with the Colony Entities.

c. In or about October, 2008, sales representative Ridley solicited investor MM, who subsequently invested approximately \$400,000 with the Colony Entities. Ultimately, Ridley induced MM to enter into an MOU with the Colony Entities, which promised that in exchange for the initial investment of \$398,335 investment, MM's funds would be invested in CMOs. In her conversations with Snisky, Snisky also represented to MM was that the funds would also be used for various projects, including a start-up pharmaceutical company. MM was also advised that Snisky had complete discretion to control the funds that were deposited with the Colony Entities. The initial MOU Dated October 1, 2008 was signed by both MM and Snisky, and was also signed by Ridley through her company, Breton Financial. A subsequent promissory note was entered on October 17, 2008 promising that in exchange for \$400,000, MM would receive interest on the unpaid balance at the rate of 1 percent per annum. The promissory note gives Snisky and the Colony Entities complete discretion and control over the use of the funds. In connection with the offer or sale of the Colony Entities securities to MM, Ridley, Snisky, and the Colony Entities failed to disclose to MM material facts, including but not limited to the following: (1) Snisky's and Ridley's compensation in connection with the Colony Entities and for making the MM investment; (2) the fact that neither Ridley, Snisky, nor the Colony Entities held licensure as a broker dealer, sales representative, investment adviser, and/or investment adviser representative.

d. In or about January, 2010, sales representative Burch transferred the accounts of investor TH from JP Turner, a licensed Broker Dealer, to Colony Capital Holdings, LLC. Without advising TH, Burch invested a portion of TH's funds into a private equity fund at Colony Capital Holdings. Although at least \$30,000 was invested with Colony Capital Holdings, TH was not told what type of investment was made on her behalf, and the only evidence of her investment was a dividend check

and a letter from Colony Capital Holdings. Although TH asked Burch for statements, contacted Colony Capital Holdings to learn more information and to obtain statements, TH did not receive statements regarding her Colony Capital Holdings investments, despite representations to the contrary. At one point during the investment, Colony Capital represented that it was on track to provide an 18% return to investors. At the same time, Burch, acting through the Colony Entities, executed a number of stock transactions on behalf of TH despite not being licensed to do so. In connection with the offer or sale of the Colony Entities securities to TH, Burch, Snisky, and the Colony Entities failed to disclose to TH material facts, including but not limited to the following: (1) Snisky's and Burch's compensation in connection with the Colony Entities and for making the TH investment; (2) the fact that neither Burch, Snisky, nor the Colony Entities held licensure as a broker dealer, sales representative, investment adviser, and/or investment adviser representative; (3) the nature of the investments being made on TH's behalf, and (4) the risks associated with the investments with the Colony Entities.

23. The investments offered by the defendants are "securities" as contemplated under § 11-51-201, C.R.S. in that they are at least "investment contracts."

FIRST CLAIM FOR RELIEF
(Offer or Sale of Unregistered Securities)
(All Defendants)

24. Paragraphs 1 through 23 are incorporated herein by reference.

25. The investment opportunities in the Colony Entities investments, offered and sold to investors in and from Colorado by the Defendants are "securities" as contemplated by § 11-51-201(17), C.R.S. in that they are at least "investment contracts."

26. By engaging in the conduct described above, the Defendants have made "offers" or "sales" of securities in the State of Colorado pursuant to § 11-51-102, C.R.S. and § 11-51-201(13), C.R.S.

27. The interests offered and sold by the Defendants were securities and were not registered or exempted from registration as required by § 11-51-301, C.R.S.

28. By engaging in the conduct described herein, the Defendants offered and sold securities in and from Colorado in violation of § 11-51-301, C.R.S.

29. The Commissioner is entitled to an award of damages, interest, costs, attorneys fees, restitution, disgorgement and other equitable relief on behalf of persons injured by the conduct of the Defendants pursuant to §§ 11-51-602(2) and 604(1), C.R.S. (based on violations of § 11-51-301, C.R.S.). The Commissioner is also entitled to a temporary, preliminary and permanent injunction pursuant to § 11-51-602, C.R.S. (based on violations of § 11-51-301, C.R.S.) against the Defendants, their officers, directors, agents, servants, employees, successors and attorneys-in-fact, as may be; any person who, directly or indirectly, through one or more intermediaries, controlled, or is controlled by or is under common control with the Defendants; and all those in active concert or participation with the Defendants.

SECOND CLAIM FOR RELIEF
(Unlicensed Sales Representative Activity)
(Burch and Ridley)

30. Paragraphs 1 through 29 are incorporated herein by reference.

31. By engaging in the conduct described above, Ridley and Burch acted at times as a “sales representative” as defined in § 11-51-201(14), C.R.S. in that they are individuals, other than a broker-dealer, either authorized to act and acting for an issuer in effecting or attempting to effect purchases or sales of securities.”

32. At no time relevant to this Complaint was Ridley or Burch licensed, or exempt from licensure, as “sales representatives” or licensed in any capacity with the Commissioner as required by §§ 11-51-401 and 402, C.R.S.

33. Defendant Snisky employed or otherwise engaged unlicensed sales agents to act as sales representatives in Colorado in violation of § 11-51-401(2), C.R.S.

34. The Commissioner is entitled to an award of damages, interest, costs, and attorney’s fees pursuant to §§ 11-51-604(2)(a) and (5)(a), C.R.S. and restitution, rescission, disgorgement, or other equitable relief on behalf of persons injured by the conduct of the Defendants pursuant to § 11-51-602(2), C.R.S., and is also entitled to a permanent injunction against the Defendants, their officers, directors, agents, servants, employees, successors and attorneys-in-fact, as may be; any person, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the Defendants; and all those in active concert or participation with the Defendants, enjoining violations by it of §§ 11-51-401 and 402, C.R.S. by virtue of § 11-51-602, C.R.S.

THIRD CLAIM FOR RELIEF
(Unlicensed Investment Adviser Activity)

(Snisky)

35. Paragraphs 1 through 34 are incorporated herein by reference.

36. By engaging in the conduct described above, Snisky acted as an “investment adviser” as defined in § 11-51-201(9.5) in that he was “a person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities.”

37. At no time relevant to this Complaint was Snisky licensed, or exempt from licensure, as an “investment adviser” or registered in any capacity with the Commissioner as required by §§ 11-51-401 and 402, C.R.S.

38. The Commissioner is entitled to an award of damages, interest, costs, and attorney’s fees pursuant to §§ 11-51-604(2.5), C.R.S. and restitution, rescission, disgorgement, or other equitable relief on behalf of persons injured by the conduct of the Defendants pursuant to § 11-51-602(2), C.R.S., and is also entitled to a permanent injunction against the Defendants, their officers, directors, agents, servants, employees, successors and attorneys-in-fact, as may be; any person, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the Defendants; and all those in active concert or participation with the Defendants, enjoining violations by it of §§ 11-51-401 and 402, C.R.S. by virtue of § 11-51-602, C.R.S.

FOURTH CLAIM FOR RELIEF

(Securities Fraud)

(All Defendants)

39. Paragraphs 1 through 38 are incorporated herein by reference.

40. In connection with the offer, sale, or purchase of securities in Colorado, the Defendants, directly or indirectly:

- a. employed a device, scheme or artifice to defraud;
- b. made written and oral untrue statements of material fact or omitted to state material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading; or
- c. engaged in acts, practices or courses of business which operated and would operate as a fraud and deceit on investors;

all in violation of § 11-51-501(1), C.R.S.

41. The Defendants offered or sold securities by means of untrue statements of material fact or omissions to state material facts necessary in order to make the statements, in light of the circumstances under which they were made, not misleading (the buyers not knowing of the untruths or omissions), and therefore these defendants are liable to the Commissioner for damages under § 11-51-604(4), C.R.S., by operation of § 11-51-602(2), C.R.S. (based on violations of § 11-51-501(1)(b), C.R.S.).

42. The Commissioner is entitled to an award of damages, interest, costs, attorney's fees, restitution, disgorgement and other equitable relief on behalf of persons injured by the conduct of the Defendants pursuant to §§ 11-51-602(2) and 604(4), C.R.S. (based on violations of § 11-51-501, C.R.S.), and restitution, rescission, disgorgement, or other equitable relief on behalf of all persons injured by the acts and practices described in this claim for relief pursuant to § 11-51-602(2), and the Commissioner is further entitled to a temporary and permanent injunction against these defendants, their officers, directors, agents, servants, employees, and successors; any person who directly or indirectly, through one or more intermediaries, controlled or is controlled by or is under the common control with any of these defendants, and all those in active concert or participation with any of these defendants pursuant to § 11-51-602, C.R.S., based on violations of § 11-51-501, C.R.S., enjoining the conduct alleged above.

FIFTH CLAIM FOR RELIEF
(Investment Adviser Fraud)
(Snisky)

43. Paragraphs 1 through 42 are incorporated herein by reference.

44. The conduct described above in this Complaint constitutes violations of the Act in that it is unlawful for any person who receives, directly or indirectly, any consideration from another for advising the other person as to the value of securities or of any purchase or sale thereof. In connection with the offer, sale, or purchase of securities in Colorado, Snisky,

a. Employed any device, scheme or artifice to defraud any client or prospective client;

b. Made an untrue statement of material fact to any client or prospective client or omit to state to any client or prospective client any material fact necessary to make the statements made, in light of the circumstances under which they are made, not misleading, in the disclosure statement delivered to any client or prospective client pursuant to section 11-51-409.5 or a similar document under the federal

“Investment Advisers Act of 1940” or during the solicitation of any such client or otherwise in connection with providing investment advisory services; or

c. Engage in any transaction, act, practice or course of business that operates or would operate as a fraud or deceit upon any client or prospective client or that is fraudulent, deceptive, or manipulative;

all in violation of § 11-51-501(5), C.R.S.

45. Snisky engaged in investment advisory services as an investment adviser or investment adviser representative, as may be, through the Colony Entities, and as a result, materially misrepresented or failed to disclose material facts necessary in order to make the statements, in light of the circumstances under which they were made, not misleading in the course of his providing investment advisory services or engaged in a transaction, act, practice, or course of business that was fraudulent and deceptive, and therefore Snisky is liable to the Commissioner for damages under § 11-51-604(3), C.R.S. by operation of § 11-51-602(2), C.R.S., based upon violations of §§ 11-51-501(5)(b) and (c), C.R.S.

46. Snisky’s conduct as alleged herein breached his fiduciary duty he owed to his clients, as he failed at times to invest monies as represented, used investor funds for expenditures other than the purposes represented, and failed to fully explain the investment products, services, and risks to his clients.

47. The Commissioner is entitled to a temporary, preliminary and permanent injunction pursuant to § 11-51-602, C.R.S., based upon violations of § 11-51-501(5), C.R.S. against Snisky. The Commissioner is entitled to an award of damages, interest, costs, reasonable attorney fees, restitution, disgorgement and other equitable relief on behalf of persons injured by the conduct of Snisky pursuant to §§ 11-51-602(2) and 604(3), C.R.S. based upon violations of § 11-51-501(5), C.R.S.

WHEREFORE, the Commissioner requests relief as follows:

1. For temporary and permanent injunctive relief against all Defendants, their officers, directors, agents, servants, employees, and successors; any person who, directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with; and all those in active concert or participation with Defendants, enjoining the violations of all Defendants of the Colorado Securities Act or successor statute.

2. For judgment in an amount to be determined at trial against all Defendants for restitution, disgorgement and other equitable relief pursuant to § 11-51-602(2), C.R.S. For damages, rescission, interest, costs, reasonable attorney’s fees, and such other legal and

equitable relief, pursuant to §§ 11-51-604(1), (2)(a), (2.5), (3), and (4), C.R.S. as the Court deems appropriate. All of the preceding relief is sought on behalf of the persons injured by the acts and practices of all Defendants that constitute violations of the Act.

3. For an Order imposing a constructive trust on the fraudulently obtained funds held by each Defendant, or any entity controlled by them, and to order these Defendants to account for and disgorge all funds fraudulently obtained by them from the investors and transferred to them.

4. For such other and further relief as the Court deems proper.

Respectfully submitted this 28th Day of February, 2013.

JOHN W. SUTHERS
Attorney General

/s/ Russell B. Klein

RUSSELL B. KLEIN, 31965*
First Assistant Attorney General
Financial and Health Services Unit
Attorneys for Plaintiff
*Counsel of Record

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO**

Criminal Case No. 13-cr-00473-RM

UNITED STATES OF AMERICA,

Plaintiff,

v.

GARY SNISKY,

Defendant.

INDICTMENT

18 U.S.C. § 1341

18 U.S.C. §§ 1957 & 2(b)

18 U.S.C. § 981(a)(1)(C)

28 U.S.C. § 2461(c)

The Grand Jury charges that:

COUNTS 1-13

18 U.S.C. § 1341

The Scheme

1. Beginning in or about 2010, and continuing to on or about January 17, 2013, in the State and District of Colorado and elsewhere, defendant GARY S. SNISKY ("SNISKY") knowingly devised and intended to devise a scheme to defraud and to obtain money and property from investors by means of materially false and fraudulent pretenses, representations, and promises (hereinafter referred to as "the Scheme"). It was part of the Scheme that:



- a. Between at least 2010 and sometime in 2011, defendant SNISKY operated in Colorado a company called Colony Capital, LLC (“Colony Capital”), which purported to be a private equity firm offering investment opportunities in bonds, futures trading, and other offerings.
- b. Sometime in 2011, defendant SNISKY shut down Colony Capital and formed a company in Longmont, Colorado called Arete, LLC (“Arete”), which also purported to be a private equity firm offering investment opportunities in bonds, futures trading, and other offerings.
- c. Beginning in approximately mid-2010, defendant SNISKY asked Richard Greeott (“Greeott”), who was doing information technology work for Colony Capital, to develop an algorithm for a fully-automated trading system for trading in the futures market (hereinafter referred to as the “Algorithm”).
- d. By the end of 2012, defendant SNISKY knew that Greeott was still developing the Algorithm and was merely testing it by trading in a simulated environment and by making small trades in the futures market. At all times relevant to this Indictment, the Algorithm was still in a developmental phase. At no time did defendant SNISKY, Greeott, or anyone else at Colony Capital or Arete make any real profit using the Algorithm.
- e. Beginning in at least 2010 and continuing through at least January 17, 2013, defendant SNISKY intentionally falsely led investors, potential investors, and financial advisors to believe that the Algorithm was being used by Colony Capital, and later Arete, to profitably trade in the futures market in order to falsely bolster Colony Capital’s, and later Arete’s, appearance of success and overall financial

stability. Defendant SNISKY believed that this would make investors more likely to invest in any of Colony Capital's, and later Arete's, investment offerings, including, but not limited to, investing for the purpose of trading in the futures market.

- f. Between approximately December 2010 and March 2012, defendant SNISKY received more than \$300,000 in investor money that was supposed to be traded in the futures market. In approximately early 2010, Defendant Snisky also falsely told at least one investor, who had initially invested with Colony Capital supposedly in a different bond, that approximately \$100,000 of that investor's money would be put into the futures trading program.
- g. Between approximately July 2011 and January 2013, defendant SNISKY's primary focus was to offer investors, potential investors, and financial advisors the purported opportunity to invest money in Arete's "proprietary value model," which was falsely described as being based on using the investors' money to purchase Ginnie Mae bonds (hereinafter referred to as the "Bond Program"). Starting in approximately July 2011, defendant SNISKY offered a 10-year investment model for the Bond Program, which promised the investor a 10% upfront bonus and an annual return of 7%. Prior to April of 2012, defendant SNISKY began offering a 5-year investment model for the Bond Program, which promised a 6% annual return on the invested money.
- h. Between approximately July 2011 and January 2013, defendant SNISKY received more than \$4,000,000 in investor money that was supposed to be invested in the Bond Program. Defendant SNISKY also falsely told at least one investor who had invested more than \$400,000 with Colony Capital supposedly in a different bond in

approximately 2010 that the investor's money was being moved into the Bond Program.

- i. At all times relevant to this Indictment, defendant SNISKY did not purchase any Ginnie Mae bonds and did not invest investor money as promised.
- j. In furtherance of the scheme, the United States Mail was used to send to investors of Colony Capital, and later Arete, documents regarding their investments, including welcome letters and account statements.

EXECUTION OF THE SCHEME

2. For the purpose of executing the scheme described above, on or about the dates listed below, defendant SNISKY placed, and caused another to place, in a post office and an authorized depository for mail matter within the State and District of Colorado the mail matter described below to be sent and delivered by the U.S. Postal Service:

COUNT	DATE	Mail Matter
1	10/26/12	Document called "Contributor Information & Data" sent to D.A. and returned to sender Arete LLC as "Not Deliverable As Addressed"
2	1/11/12	Welcome letter and document called "Contributor Information & Data" sent to G.B.
3	6/25/12	Document called "Contributor Information & Data" sent to C.F.
4	1/12/12	Document called "Contributor Information & Data" sent to V.G.
5	10/26/12	Document called "Contributor Information & Data" sent to Gorham Living Trust
6	1/13/12	Document called "Contributor Information & Data" sent to F.M.
7	10/25/12	Document called "Contributor Information & Data" sent to F.M.
8	1/12/12	Document called "Contributor Information & Data" sent to K.M.
9	1/11/12	Document called "Contributor Information & Data" sent to J.M.

10	4/4/12	Document called "Contributor Information & Data" sent to J.M.
11	6/25/12	Document called "Contributor Information & Data" sent to J.M.
12	4/4/12	Welcome letter sent to T.V.
13	10/26/12	Document called "Contributor Information & Data" sent to T.V.

In violation of Title 18, United States Code, Section 1341.

COUNTS 14-18
18 U.S.C. §§ 1957, 2(b)

3. On or about the dates set forth below, in the State and District of Colorado, defendant GARY SNISKY knowingly engaged in, and caused others to engage in, the following monetary transactions, which were by, through, or to a financial institution and affecting interstate commerce, in criminally derived property of a value greater than \$10,000, such property having been derived from a specified unlawful activity, namely, mail fraud in violation of 18 U.S.C. § 1341:

Count	Date	Amount	Transaction
14	11/17/11	\$35,426	Withdrawal from US Bank Acct No. 103680540996 held by Arete LLC
15	11/25/11	\$40,000	Transfer of Check No.1013 made payable to "Greeott Enterprises" and written on US Bank Acct No. 103680540996 held by Arete LLC
16	12/8/11	\$15,800	Transfer of Check No.1016 made payable to "Artisan Shop" and written on US Bank Acct No. 103680540996 held by Arete LLC
17	1/9/12	\$15,000	Deposit of Check No.1023 made payable to Gary Snisky and written on US Bank Acct No. 103680540996 held by Arete LLC
18	4/27/12	\$30,000	Deposit of Cashier's Check No.278505194 made payable to Gary Snisky and remitted by Arete LLC

In violation of Title 18, United States Code, Sections 1957 and 2(b).

Forfeiture Allegation

4. The allegations contained in Counts One through Eighteen of this Indictment are hereby re-alleged and incorporated by reference for the purpose of alleging forfeiture pursuant to the provisions of 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c).

5. Upon conviction of the violations alleged in Counts One through Thirteen of this Indictment involving the commission of violations of 18 U.S.C. § 1341, defendant GARY SNISKY shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c) any and all of the his right, title and interest in all property constituting and derived from any proceeds the defendant obtained directly and indirectly as a result of such offense.

6. The property to be forfeited includes, but is not limited to:

A money judgment in the amount of proceeds obtained by the scheme and by the defendant; less the amount of funds recovered from assets and property that have been forfeited, criminally or civilly.

7. Upon conviction of the violations alleged in Counts Fourteen through Eighteen of this Indictment involving violations of 18 U.S.C. § 1957, defendant GARY SNISKY shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(1) any and all of the defendant's right, title and interest in all property, real or personal, involved in such offense, or all property traceable to such property.

8. If any of the property described above, as a result of any act or omission of the defendant:

- a) cannot be located upon the exercise of due diligence;
- b) has been transferred or sold to, or deposited with, a third party;
- c) has been placed beyond the jurisdiction of the Court;
- d) has been substantially diminished in value; or

- e) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), incorporated by Title 18, United States Code, Section 982(b) and Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of said defendant up to the value of the forfeitable property.

A TRUE BILL:

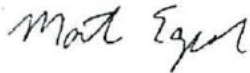
Ink signature on file in Clerk's Office
FOREPERSON

JOHN WALSH
UNITED STATES ATTORNEY
s/ Pegeen D. Rhyne
By: Pegeen D. Rhyne
Assistant United States Attorney
PEGEEN D. RHYNE
Assistant United States Attorney
1225 17th Street, Suite 700
Denver, CO 80202
Phone: (303) 454-0100
Fax: (303) 454-0402
pegeen.rhyne@usdoj.gov

DISTRICT COURT, DENVER COUNTY, COLORADO	
Court Address: 1437 Bannock Street, Rm 256, Denver, CO, 80202	
Plaintiff(s) FRED J JOSEPH SECURITIES COMMISSIONER v. Defendant(s) GARY SNISKY et al.	DATE FILED: December 30, 2013 8:27 AM CASE NUMBER: 2013CV30947
△ COURT USE ONLY △	
Case Number: 2013CV30947 Division: 215 Courtroom:	
Order: Order of Permanent Injunction and Other Relief	

The motion/proposed order attached hereto: GRANTED.

Issue Date: 12/30/2013



MARTIN FOSTER EGELHOFF
District Court Judge



<p>DISTRICT COURT, CITY AND COUNTY OF DENVER, COLORADO</p> <p>1437 Bannock Street Denver, CO 80202</p> <hr/> <p>FRED J. JOSEPH, Securities Commissioner for the State of Colorado,</p> <p>Plaintiff,</p> <p>v.</p> <p>GARY SNISKY individually and d/b/a COLONY CAPITAL, COLONY CAPITAL GROUP, COLONY CAPITAL INVESTMENTS and COLONY CAPITAL HOLDINGS, DAVID BURCH and BRENDA RIDLEY d/b/a BRETON FINANCIAL,</p> <p>Defendants.</p>	<p style="text-align: center;">▲ COURT USE ONLY ▲</p>
<p>BY THE COURT:</p>	<p>Case No.: 2013CV30947 Ctvm: 215</p>
<p style="text-align: center;">ORDER OF PERMANENT INJUNCTION AND OTHER RELIEF</p>	

THIS MATTER is before the Court on the Stipulation for Order of Permanent Injunction and Other Relief (“Stipulation”) filed by the Plaintiff, Fred J. Joseph, Securities Commissioner for the State of Colorado (“Commissioner”) and defendant Brenda Ridley (“Defendant” or “Ridley”).

By entering into this Stipulation, the Defendant admits that the investments issued by the defendants are securities under the Colorado Securities Act (“Act”), § 11-51-201(17), C.R.S. The Defendant has neither admitted nor denied that the remaining allegations, grounds, or claims of liability against them contained in the Complaint for Injunctive and Other Relief (“Complaint”) are true, except as described in the Stipulation. Based on the Stipulation, and being duly advised in the premises, the Court hereby finds that the Stipulation provides for a fair, just, and expeditious resolution of the claims asserted by the Commissioner against defendant Ridley.

THEREFORE, IT IS HEREBY ORDERED as follows:

1. The Court has jurisdiction over Defendant Ridley and the subject matter of this action.

2. Defendant Ridley, her agents, servants, employees, and successors, as may be; any person who, directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under the common control with the Defendant; and all those in active concert or participation with the Defendant, who receive actual notice of this Order by personal service or otherwise, are hereby immediately and permanently restrained and enjoined from engaging, directly or indirectly, in any of the following acts:

a. Associating in any capacity with any broker-dealer, sales representative, promoter, issuer, financial planner, investment adviser, or investment adviser representative, engaged in business in Colorado, or any individual or entity engaged in the offer, purchase, or sale of securities or any investment in or from Colorado. For purposes of this Order, "associating in any capacity" shall mean acting as a broker-dealer, sales representative, promoter, issuer, financial planner, investment adviser, investment adviser representative (or occupying a similar status or performing similar functions), or directly or indirectly controlling, acting as agent for, or exercising common control of a broker-dealer; sales representative, promoter, issuer, financial planner, or investment adviser, or any employee of a broker-dealer, sales representative, promoter, issuer, financial planner, or investment adviser.

b. In the event the terms of paragraph 2(a) are modified or vacated by an order of the Court after the date of this Order, or in the event that any of the Defendant's conduct is not otherwise proscribed by the terms of paragraph 2(a), the following shall nonetheless be prohibited concerning Defendant and those persons identified in paragraph 2(a), above:

1) Offering to sell or selling any securities or investments in the State of Colorado, unless such securities or investments are registered pursuant to sections 11-51-302, 303, or 304, C.R.S. (2012),

or successor statutes, or exempt from registration pursuant to sections 11-51-307, 308, or 309, C.R.S. (2012), or successor statutes; or

2) Engaging in business in the State of Colorado as a securities broker-dealer, sales representative, investment adviser, or investment adviser representative, as may be, in violation of sections 11-51-401 and 402, C.R.S. (2012), or successor statutes; or

3) In connection with the offer, sale, or purchase of any security in the State of Colorado, directly or indirectly:

i) employing any device, scheme, or artifice to defraud; or

ii) making any untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading; or

iii) engaging in any act, practice, or course of business which operates or would operate as a fraud and deceit upon any person;

in violation of section 11-51-501(1), C.R.S. (2012), or successor statute.

4) Engaging in conduct otherwise in violation of the Colorado Securities Act.

3. Defendant Ridley shall comply with the provisions of the Stipulation attached hereto, and such Stipulation shall be incorporated into and made a part of this Order as if fully stated herein.

4. The Court shall retain jurisdiction over this action to ensure Defendant's compliance with this Order and the Stipulation, and reserves the power to enter additional orders to effectuate and to ensure Defendant's compliance with this Order and Stipulation.

5. Defendant's failure to comply with this Order or the Stipulation may constitute grounds for further sanctions against them, including the sanction of contempt.

DONE this ____ day of _____, 2013.

BY THE COURT:

Denver District Court Judge

Attachment to Order - 2013 CV 30947