



### Item 1 – Introduction: Is an investment advisory account right for you?

Croak Asset Management, LLC is an investment adviser registered with the U.S. Securities and Exchange Commission. We offer our clients investment advisory services. Clients should understand that the services we provide and fees we charge are different than those of a broker-dealer, and that it is important to understand the difference between the two. Free and simple tools are available to research firms and financial professional at <https://www.investor.gov/CRS>, which also provides educational materials about investment advisers, broker-dealers and investing.

### Item 2 – What investment services and advice can you provide me?

Description of Services: We offer investment advisory services to retail investors. Our investment advisory services include: Portfolio Management Services: We provide Portfolio Management Services which involves us managing and trading your designated account(s). We will discuss your investment goals and design a strategy to try and achieve your investment goals. We will continuously monitor your account when providing asset management services and contact you at least annually to discuss your portfolio. We offer asset management services through wrap and non-wrap fee programs. For more information, please see Item 4 of our Form ADV Part 2A, Appendix 1: Wrap Fee Brochure. When engaging us for Portfolio Management Services, you can choose whether you'd like us to provide services on a discretionary basis (we will have the authority to determine the type and amount of securities to be bought or sold in your account) or a non-discretionary basis (we will have to confirm any trades in your account with you before we place them). Note: As of January 2022, non-wrap portfolio management services are no longer offered by the firm. The firm is in the process of transitioning all clients to the Croak Asset Management Wrap Fee Program. As part of our overall Portfolio Management Services, we may direct clients to third-party investment advisers.

Financial Planning & Consulting Services: We provide financial planning and consulting services. Financial planning services involve us creating a written financial plan for you which covers mutually agreed upon topics. Financial consulting is used when a written financial plan is not needed. It involves one time and/or ongoing meetings to discuss your financial situation. As part of our overall financial planning and consulting services, we may assist clients with the possibility of utilizing Internal Revenue Code Section 1031, tax deferred exchanges, and we may recommend that the client invest their exchange proceeds into Delaware Statutory Trusts.

Limited Investment Offerings: We do not primarily recommend one type of security to clients. Instead, we recommend investment portfolios designed to be suitable for each client relative to that client's specific circumstances and needs. However, we are limited in investment selection in that we can only invest your account in securities which are available on your custodian/broker-dealer's platform. When providing you services, we do not recommend or offer advice on any proprietary products.

Account & Fee Minimums: In general, we do not require a minimum dollar amount to open and maintain an advisory account; however, we have the right to terminate your account if it falls below a minimum size that, in our sole opinion, is too small to manage effectively. **For additional information, please refer to Items 4, 7, & 13 of our Form ADV Part 2A and/or or Items 4 and 5 of Form ADV Part 2A Appendix 1 at the following link: <https://adviserinfo.sec.gov/firm/brochure/297666>.**

***Conversation Starters: Given my financial situation, should I choose an investment advisory service? Why or why not? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?***

### Item 3 – What fees will I pay?

We are primarily compensated by a percentage of assets under our management, hourly fees and fixed fees. Our fees vary depending on the services you receive. The annual fee for portfolio management services will be based upon a fee schedule which will range up to a maximum of 1.35%. The annual fee for the first partial quarter will be prorated and paid at the end of the quarter. Subsequently, the fee will be paid quarterly in advance based upon the balance at end of previous quarter. Because our fee is based upon the value of your account we have an incentive to recommend that you increase the level of assets in your account. Under the wrap fee program the fee you pay us covers both our advisory services and the transaction fees imposed by the broker-dealer. Clients still under a non-wrap fee program will be charged transaction costs separately. Since a wrap fee covers transaction expenses it tends to be higher than non-wrap fee programs. You will also be charged internal fees and expenses by the

funds we invest in within your account. Fees charged by third-party investment advisers are separate from and in addition to our fees. We offer financial planning services for a negotiable hourly fee of \$300 or a fixed fee of up to \$10,000. Any fees we charge for financial planning and consulting services will not cover the costs associated with implementing any recommendations we may make. All fees are negotiable depending upon the complexity and scope of the service, your financial situation, and your objectives. **For additional information regarding our fees, please see Item 5 of our Form ADV Part 2A and/or Item 4 of Form ADV Part 2A Appendix 1 at the following link: <https://adviserinfo.sec.gov/firm/brochure/297666>.**

**Description of Other Fees and Costs:** The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by investment companies (e.g., mutual funds, exchange traded funds, unit investment trusts and variable annuities). These fees are described in each fund's prospectus. These fees will generally include a management fee and other fund expenses. Clients still under the non-wrap fee program will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian that executes the trade. The broker-dealer or custodian may also charge your account for custodial fees, retirement account fees, trust fees, exchange fees, redemption fees that may be assessed on investment company shares, transfer fees, account termination fees or other special service fees and charges. The wrap fee does not include mark-ups and mark-downs, dealer spreads or other costs associated with the purchase or sale of securities, interest, taxes, or other costs, such as national securities exchange fees, charges for transactions not executed through the qualified custodian, costs associated with exchanging currencies, wire transfer fees, or other fees required by law or imposed by third parties. Clients will be responsible for these additional fees and expenses. We do not share in any portion of these fees imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by investment companies, broker-dealers, our firm, and others. **You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.**

**Conversation Starter: Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?**

**What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?** *When we act as your investment adviser*, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means. When we provide portfolio management services, we will ask that you establish an account with Charles Schwab & Co., Inc. ("Schwab"), to maintain custody of your assets and to effect trades for your account. Our recommendation to use our custodian is not based solely on your interest of receiving the best execution possible. We also recommend our custodian because they provide us with research, products and tools that help us manage and further develop our business operations. As a result, we do not have to pay for such benefits, which save us money; however, these arrangements create a conflict of interest. See Item 12 of our Form ADV Part 2A for more information about our arrangements with our custodian. We actively manage our own personal accounts while at the same time managing your accounts and other client accounts. This creates different conflicts of interest for which we have developed procedures to mitigate and control for those conflicts. For more information see Item 11 of our Form ADV Part 2A. Some of our financial professionals are insurance agents and registered representatives with Purshe Kaplan Sterling Investments, a securities broker-dealer. This creates a conflict of interest because these persons will receive additional commission-based compensation in connection with the purchase and sale of insurance and securities, including 12b-1 fees for the sale of certain investment company products. You are not required to purchase insurance or securities from our financial professionals.

**Conversation Starter: How might your conflicts of interest affect me, and how will you address them?**

**Please refer to our Form ADV Part 2A and/or Form ADV Part 2A Appendix 1 for further information on our conflicts of interest and how we address them at the following link: <https://adviserinfo.sec.gov/firm/brochure/297666>.**

**How do your financial professionals make money?**

Our financial professionals receive salary-based compensation, a percentage of advisory billings and/or bonuses based on the amount of client assets they bring to our firm. Therefore, our financial professionals have an incentive to encourage you to increase the assets in your account. Financial professionals who have an ownership interest in the firm will also receive additional compensation in the form of distributions.

#### **Item 4 – Do you or your financial professionals have legal or disciplinary history?**

**Yes (for a financial professional).** For a free, simple search tool to research us and our financial professionals please visit [Investor.gov/CRS](https://investor.gov/CRS).

**Conversation Starter: As a financial professional, do you have any disciplinary history? For what type of conduct?**

### **Item 5 – Additional Information**

For additional information about our advisory services, please refer to our Form ADV Part 2A and Appendix 1: Wrap Fee Brochures available at <https://adviserinfo.sec.gov/firm/brochure/297666>, and the individual Form ADV Part 2B brochure supplement(s) your representative provides. If you have any questions, need up-to-date information and/or need a copy of this Client Relationship Summary, please contact us at (419) 464-7000.

*Conversation Starters: Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*

### **Appendix A – Form CRS Material Changes March 26, 2024**

#### **Material Changes to Client Relationship Summary**

The purpose of this addendum is to inform you of any material changes since the previous version of this Form CRS dated July 7, 2023.

On October 17, 2023, we amended our Form CRS (Client Relationship Summary) to remove reference to TD Ameritrade as a named qualified custodian and add Charles Schwab & Co., Inc.

If you have questions about this change, please contact us at (419) 464-7000.