1. Introduction

The name of our firm is Akre Capital Management, LLC. We are registered with the Securities and Exchange Commission as an investment adviser. The services offered and fees charged by an investment adviser differ from those of broker-dealers. It is important that you understand the differences. Free and simple tools are available to research investment adviser firms, broker-dealers, and their financial professionals at www.investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

2. Relationships and Services

What investment services and advice can you provide me? We offer investment advisory services through separately managed accounts ("accounts"), private funds, and a registered investment company. The principal investment advisory service that we offer to retail investors is through a separately managed account. There are no material limitations on our services, although we typically manage an account in accordance with our overall investment style, which involves long-term investing in equity securities. We periodically monitor the investments in your account. Monitoring of your investments is offered as part of our standard services. Our investment management agreement with you gives us the authority to buy and sell investments on your behalf. Our advice is not limited to certain types of products or investments. We require a minimum account size of $1,000,000, which is subject to waiver, to open an account with us. Please see the more detailed disclosure on the investment services and advice that we can provide to you in Items 4 and 7 of our Form ADV Part 2A, which is available at www.adviserinfo.sec.gov/firm/summary/109242.

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?

3. Fees, Costs, Conflicts, and Standard of Conduct

What fees will I pay? You will pay us an asset-based fee. Our standard fee is 1.50% of the net assets in your account each year. Because we charge an asset-based fee, the more assets there are in your advisory account, the more you will pay in fees. Therefore, we have an incentive to encourage you to increase the assets in your account. You will also pay other fees and costs to other entities not affiliated with us, which may include custodian fees, brokerage fees, commissions, interest fees, taxes, duties and other governmental charges, transfer and registration fees, foreign exchange transaction costs, fees and costs charged by other investment advisers or funds, account maintenance fees, mutual fund fees, and other transactional fees and product-level fees. 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 see the more detailed disclosure on our fees and costs in Item 5 of our Form ADV Part 2A, which is available at www.adviserinfo.sec.gov/firm/summary/109242.

Conversation Starters. 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. The following arrangements and activities give us an incentive to make investments for you based on our own interests rather than on your needs.

- **Proprietary Products.** We invest your assets in investments, including pooled investment vehicles, that are issued, sponsored, or managed by us or our affiliates. We typically waive our asset-based fee, such that your managed account only pays those fees charged to investors in the pooled investment vehicle with respect to your assets invested in that vehicle.

- **Performance-Based Compensation.** We receive compensation based on the performance of our private funds, which gives us an incentive to favor our private funds over your account.

- **Broker Selection.** When we choose broker-dealers to execute your transactions, we consider the research, products and services that we receive from broker-dealers. This is a consideration in our duty to obtain best execution on your transactions.

- **Personal Trading.** We invest personally in the same (or related) securities that we recommend to you. We also buy or sell securities for you at or about the same time that we buy or sell the same securities for our own accounts. This gives us an incentive to favor our own accounts over your account.

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

Please see the more detailed disclosure on our conflicts of interest in Items 5, 6, 11, 12, and 17 of our Form ADV Part 2A, which is available at [www.adviserinfo.sec.gov/firm/summary/109242](http://www.adviserinfo.sec.gov/firm/summary/109242).

How do your financial professionals make money? We pay our portfolio managers a fixed salary and discretionary bonus. Each portfolio manager also receives a percentage of our net profits, based on his ownership of our firm. Because each portfolio manager receives a portion of our profits, each portfolio manager’s compensation increases as our assets under management increase. In addition, our portfolio managers are eligible to receive performance-based compensation from our affiliated general partner of the private funds, which gives them an incentive to favor such private funds over your account.

4. **Disciplinary History**

Do you or your financial professionals have legal or disciplinary history? No. Visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

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

5. **Additional Information**

You can find additional information about our investment advisory services on our website [www.akrecapital.com](http://www.akrecapital.com) or at [www.adviserinfo.sec.gov/firm/summary/109242](http://www.adviserinfo.sec.gov/firm/summary/109242). You can request up to date information and a copy of our relationship summary by contacting us at (540) 687-3880.

**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?