

**Item 1: Cover Page for Part 2B of Form ADV:  
Brochure Supplement  
January 2013**

**KENNETH B. LAMBERT**

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**KENNETH B. LAMBERT  
MANAGING MEMBER & CHIEF COMPLIANCE OFFICER**

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**This brochure supplement provides information about Kenneth B. Lambert that supplements our brochure. You should have received a copy of that brochure. Please contact Kenneth B. Lambert, Managing Member & Chief Compliance Officer, if you did not receive our firm's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Mr. Lambert is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## Item 2: Educational Background & Business Experience

**Kenneth B. Lambert**

**Year of Birth:** 1972

### **Educational Background:**

- 1994: University of Nevada, Reno; B.S. Business Administration;  
Major: Finance, Minor: Economics.

### **Business Background:**

- 02/2012 – Present Peavine Capital Management, LLC; Managing Member & Investment Advisor
- 06/2006 – 03/2012 Public Employees Retirement System of Nevada; Chief Investment Officer
- 03/2005 – 06/2006 Ledson Winery & Vineyards; Executive Vice President
- 09/1995 – 03/2005 Public Employees Retirement System of Nevada; Assistant Investment Officer

### **Licenses & Other Professional Designations:**

- 09/1999: Chartered Financial Analyst (CFA)
- 05/2008: Chartered Alternative Investment Analyst (CAIA)

### **CFA - Chartered Financial Analyst:**

The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute – the largest global association of investment professionals.

To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

### **High Ethical Standards**

CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charter holders to:

- Place their clients' interests ahead of their own;
- Maintain independence and objectivity;
- Act with Integrity;
- Maintain and improve their professional competence;
- Disclose conflicts of interest and legal matters.

### **Comprehensive & Current Knowledge**

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-

income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

**CAIA-Chartered Alternative Investment Analyst:**

The CAIA program is designed to facilitate self-directed learning for today's busy professionals through a comprehensive set of readings and two exams on risk-return attributes of institutional quality alternative assets.

The CAIA designation demonstrates mastery of alternative investment concepts, tools, and practices and promotes adherence to the highest standards of professional conduct.

Alternative investment topics covered in the CAIA program include:

- Hedge Funds
- Commodities and Managed Futures
- Private Equity
- Real Assets
- Credit Derivatives and Structured Products
- Professional Standards and Ethics

**Item 3: Disciplinary Information**

If there are legal or disciplinary events material to your evaluation of Mr. Lambert, we are required to disclose all material facts regarding those events.<sup>1</sup>

We have nothing to disclose in this regard.

**Item 4: Other Business Activities**

A. If Mr. Lambert is actively engaged in any investment-related business or occupation, including if he is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant ("FCM"), commodity pool operator ("CPO"), commodity trading advisor ("CTA"), or an associated person of an FCM, CPO, or CTA, we are required to disclose this fact and describe the business relationship, if any, between the advisory business and the other business.

1. If a relationship between the advisory business and Mr. Lambert's other financial industry activities creates a material conflict of interest with you, the SEC requires us to describe the nature of the conflict and generally how we address it.

We have nothing to disclose in this regard.

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<sup>1</sup> Note: Our firm may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, we are not required to disclose it. When we review a legal or disciplinary event involving Mr. Lambert to determine whether it is appropriate to rebut the presumption of materiality, we consider all of the following factors: (1) the proximity of Mr. Lambert to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the date of the disciplinary event. If we conclude that the materiality presumption has been overcome, we prepare and maintain a file memorandum of our determination in our records. We follow SEC rule 204-2(a) (14) (iii) and similar state rules.

2. If Mr. Lambert receives commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative, and including distribution or service ("trail") fees from the sale of mutual funds, we have to disclose this fact. If this compensation is not cash, we are required to explain what type of compensation he receives. We must explain that this practice gives Mr. Lambert an incentive to recommend investment products based on the compensation received, rather than on your needs.

We have nothing to disclose in this regard.

- B. If Mr. Lambert is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of his income or involve a substantial amount of Mr. Lambert's time, we are required to disclose this fact and must describe the nature of that business. If the other business activities represent less than 10 percent of Mr. Lambert's time and income, we may presume that they are not substantial.

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

#### **Item 5: Additional Compensation**

If someone who is not a client provides an economic benefit to Mr. Lambert for providing advisory services, we are required to generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include his regular salary. Any bonus that is based, at least in part, on the number or amount of sales, client referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

We have nothing to disclose in this regard.

#### **Item 6: Supervision**

We are required to explain how we supervise Mr. Lambert, including how we monitor the advice he provides to you. Our firm has to provide the name, title and telephone number of the person responsible for supervising Mr. Lambert's advisory activities on behalf of our firm.

Michael Klaich is a managing member of Peavine Capital Management, LLC and as such supervises and monitors Mr. Lambert's activities to ensure compliance with our firm's Code of Ethics. Please contact Mr. Klaich if you have any questions about Mr. Lambert's brochure supplement at (775) 337-3900.