

# Pinnacle Asset Management, L.P.

## Part 2A of Form ADV

### The Brochure

712 Fifth Avenue, 29<sup>th</sup> Floor  
New York, NY 10019  
(212) 750-1778  
[www.pinnacle-lp.com](http://www.pinnacle-lp.com)

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This brochure provides information about the qualifications and business practices of Pinnacle Asset Management, L.P. (“Pinnacle” or the “Company”). If you have any questions about the contents of this brochure, please contact us at (212) 750-1778. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Pinnacle is also available on the SEC’s website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Material Changes

Pinnacle’s most recent update to Part 2 of Form ADV was made in March 2010. Pinnacle’s business activities have not changed materially since the time of that update. However, in 2010 the SEC required significant changes to the content and format of Part 2 of Form ADV. This brochure, which reflects those changes, is materially different from brochures used by Pinnacle in prior years.

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## Advisory Business

Pinnacle provides investment management services to private U.S. and offshore investment funds that invest in underlying funds and/or managed accounts managed by unaffiliated third parties. Certain of Pinnacle’s funds may also make investments in other funds managed by Pinnacle. The domestic and offshore funds managed by Pinnacle are the PNR Funds, the PPF Funds, the Opportunity Funds and Pinnacle Fund (each as described below) and are each referred to individually as a “Fund” and collectively as the “Funds”. Pinnacle provides investment advice to the Funds on a discretionary basis and in accordance with the objectives and investment policies described in each Fund’s respective offering and/or operational documents. Pinnacle’s investment advice is limited to that it provides to the Funds.

The PNR Funds consist of Pinnacle Natural Resources, L.P., a Delaware limited partnership open for investment by U.S. taxable investors (“PNR Fund”), Pinnacle Natural Resources Offshore Ltd., a Cayman

Islands exempted company open for investment by non-U.S. and U.S. tax-exempt investors (“PNR Offshore”), and Pinnacle Natural Resources Offshore ERISA Fund Ltd., a Cayman Islands exempted company open for investment by investors subject to ERISA (“PNR ERISA”). PNR ERISA invests substantially all of its assets in PNR Offshore, which then invests substantially all of its assets in PNR Fund, which then invests in underlying funds and managed accounts. In addition, the PNR Fund allocates a portion of its assets to PPF Master (as defined below).

The PPF Funds (formerly the Pinnacle Commodity Infrastructure Funds or PCI Funds), consist of Pinnacle Physicals & Financing, L.P., a Delaware limited partnership open for investment by U.S. taxable investors (“PPF Fund”), Pinnacle Physicals & Financing Tax-Exempt, L.P., a Delaware limited partnership open for investment by U.S. tax-exempt investors (“PPF Tax-Exempt”), Pinnacle Physicals & Financing Offshore, Ltd., a Cayman Islands exempted company open for investment by non-U.S. investors (“PPF Offshore”) and Pinnacle Physicals & Financing Master, Ltd., a Cayman Islands exempted company (“PPF Master”). The PPF Funds are set up in a master-feeder structure whereby PPF Fund, PPF Offshore and PPF Tax-Exempt all invest in PPF Master, which then invests in underlying funds. PPF Tax-Exempt makes its investments in PPF Master indirectly, either through PPFTEF, LLC, a Delaware limited liability company that is treated as a corporation for U.S. federal income tax purposes, or through PPF Offshore depending on the nature of the investments that PPF Master is making on behalf of PPF Tax-Exempt.

The Opportunity Funds consist of Pinnacle Opportunity, L.P., a Delaware limited partnership open for investment by U.S. taxable investors (“Opportunity Fund”) and Pinnacle Opportunity Offshore, Ltd., a Cayman Islands exempted company open for investment by non-U.S. and U.S. tax-exempt investors (“Opportunity Offshore”). Opportunity Offshore invests substantially all of its assets in Opportunity Fund which then invests in underlying funds and managed accounts.

P Fund, L.P. (doing business as Pinnacle Fund) is a Delaware limited partnership (“Pinnacle Fund”). Pinnacle Fund is no longer open to investment. As of December 31, 2010, Pinnacle liquidated a significant portion of the assets of Pinnacle Fund. However, the portfolios of certain of the underlying funds in which Pinnacle Fund was invested included illiquid securities. Such underlying funds were not able to liquidate the illiquid portions of Pinnacle Fund’s investments in them as of December 31, 2010. Therefore, Pinnacle continues to manage Pinnacle Fund with respect to the investments by limited partners who have had a portion of their investments in Pinnacle Fund allocated to the underlying funds whose portfolios include such illiquid investments.

The Company was founded in 2003 and is owned by Jason M. Kellman, Scott L. Kellman, Donnell A. Segalas, Marcel Massimb and Apex Equity Partners, LLC (“Apex”). Apex is owned by Sasco Holdings, Inc., which in turn is owned by Eleanor C. Beer. As of December 31, 2010, the Company managed approximately \$1.9 billion on a discretionary basis.

## **Fees and Compensation**

Pinnacle receives (1) management fees from each of the PNR Funds and the Opportunity Funds, as well as from P Fund and PPF Master equal to a percentage of assets under management and (2) for Opportunity Offshore, performance fees generally equal to a percentage of the net realized and unrealized appreciation in the value of an investor's investment through the end of the year.

Pinnacle Associates GP, LLC (“PAGP”), a Delaware limited liability company, is an affiliate of Pinnacle and serves as the general partner to Pinnacle Fund, Opportunity Fund, PNR Fund, PPF Fund and PPF

Tax-Exempt. In this capacity, it receives performance compensation of an allocation generally equal to a percentage of the net realized and unrealized appreciation in the value of an investor's investment through the end of the year with respect to Pinnacle Fund, Opportunity Fund and PNR Fund. PAGP also receives such performance compensation with respect to the net realized and unrealized appreciation in the value of PNR Offshore's investment in PNR Fund and PNR ERISA's investment in PNR Fund through PNR Offshore. In addition, PAGP serves as the allocation shareholder of PPF Master. In this capacity, it receives performance compensation from PPF Master generally equal to a percentage of the net realized and unrealized appreciation in the value of the investment in PPF Master made by each of PPF Fund, PPF Tax-Exempt and PPF Offshore. Generally, all Pinnacle and PAGP fees and compensation are deducted directly from the Funds.

In addition to the fees and allocations charged by Pinnacle and PAGP, the portfolio managers of the underlying funds and managed accounts in which the Funds invest generally charge a management fee and a performance based fee or allocation. Investors should note that performance fee arrangements could be viewed to create an incentive for Pinnacle, its related persons or a portfolio manager of an underlying fund or managed account to make investments that are riskier or more speculative than would be the case in the absence of a performance based compensation. Pinnacle, its related persons and the portfolio managers may receive such compensation with regard to unrealized appreciation as well as realized gains.

The management fees for the Funds are charged on the net asset value of an investor's investment in the Funds. The management fees charged to investors in the Funds range from 0.5% to 2% per annum and may be charged monthly or quarterly in advance or arrears, depending on the Fund, the date of an investor's initial investment and the class of interests purchased. Performance compensation for the Funds ranges from 2.5% to 20% of the net realized and unrealized appreciation of an investor's investment through the end of the calendar quarter or year, as applicable. Pinnacle and PAGP have the discretion to vary, waive or rebate the fees and performance allocations for particular investors. A performance fee or allocation will only be paid if all prior losses have been first recouped. Performance compensation, if any, and a pro rata portion of the management fee will be paid by an investor in the event of a withdrawal/redemption prior to the end of the period upon which such fee is based. The management fees of Pinnacle do not include the fees associated with underlying funds and managed accounts invested in. Additionally the fees of Pinnacle do not include the expenses of any service providers hired by the Funds or Pinnacle and does not include expenses indirectly borne through investments in underlying funds or managed accounts.

With respect to each of the Funds, Pinnacle has the ability to enter into side letters or other similar agreements, varying the terms of an investment in such Fund with individual investors without the consent of or notice to the other investors in such Fund. Such agreements do and may have terms and conditions that differ from those available to other investors, and are not offered or disclosed to all investors. Terms differ according to types of investment strategies utilized, management fees and performance compensation, capacity allowances, transparency or performance disclosures (including access to information about underlying portfolio investments), permitted subscription and redemption terms and notice periods, redemption fees, notice of major events, "key man" provisions, placement fees, minimum and maximum aggregate subscription amounts, investor eligibility requirements, different access to portfolio information and in other respects in the complete and sole discretion of Pinnacle.

Where required, all performance based compensation is charged in accordance with Rule 205-3 under the Investment Advisers Act of 1940, as amended (the "Advisers Act").

## **Performance Based Fees and Side-by-Side Management**

As stated in the Fees and Compensation section above, Pinnacle and PAGP charge performance based compensation, which is based on a share of capital gains on or capital appreciation of the Funds' assets.

Also, as stated previously, the fact that Pinnacle and PAGP receive performance based compensation may create an incentive for Pinnacle and PAGP to make investments on behalf of the Funds that are riskier or more speculative than would be the case in the absence of such compensation. In addition, the performance based compensation received by Pinnacle and PAGP is based primarily on realized and unrealized gains and losses. As a result, the performance based compensation earned could be based on unrealized gains that the Funds may never realize.

The fact that the performance based compensation that Pinnacle and PAGP charge varies from Fund to Fund may create an incentive for Pinnacle to favor Funds for which it or PAGP receives higher performance based compensation. Pinnacle attempts to address this potential conflict of interest by maintaining allocation policies and procedures designed to ensure that the Funds are treated fairly over time.

## **Types of Clients**

Pinnacle provides investment management services to the Funds. Details concerning applicable suitability criteria are set forth in the respective Funds' offering and/or operational documents. The Funds generally have a minimum initial investment requirement and a minimum additional investment requirement. These thresholds may be waived in the sole discretion of the general partner or Board of Directors of the applicable Fund.

## **Methods of Analysis, Investment Strategies and Risk of Loss**

As discussed previously, Pinnacle provides investment management services to the Funds. The Funds seek to achieve their respective investment objectives by allocating assets to a variety of portfolio managers through direct investments in underlying funds (partnerships, limited liability companies, corporations and other pooled investment vehicles), managed accounts, special purpose vehicles and other investment structures.

With respect to the Funds, Pinnacle researches and identifies portfolio managers using both qualitative and quantitative factors, including, but not limited to: (1) management team reputation and integrity, (2) decision-making process, (3) ability to implement investment strategy, (4) past performance record, (5) level of personal investment, and (6) risk control and leverage.

Pinnacle directs investments to underlying funds and managed accounts managed by portfolio managers that may pursue a variety of different strategies and techniques.

An investment in a Fund involves a high degree of risk, including the risk that the entire amount invested may be lost. The Funds allocate assets to portfolio managers and invest in portfolio investments that invest in and actively trade securities, exchange-traded and OTC derivatives, and physical commodities using a variety of strategies and investment techniques with significant risk characteristics, including the risks arising from the volatility of the equity, fixed-income, commodity and currency markets, the risks of

borrowings and short sales, the risks arising from leverage associated with trading in the equities, currencies, futures and OTC physicals and derivatives markets, the illiquidity of investments in physicals and derivative instruments, and the risk of loss from counterparty defaults. No guarantee or representation is made that a Fund's investment program will be successful. Leverage inherent in the types of underlying investments made by, and otherwise utilized by, the portfolio investments can, in certain circumstances, substantially increase the adverse impact to which the Funds' investment portfolios may be subject.

Because the investment strategies of the Funds involve significant risk factors, the Funds are suitable only for experienced and sophisticated investors who can bear the economic risk of the loss of their entire investment and who have limited need for liquidity in their investment. Further, due to the illiquid nature of the Funds' portfolio investments, investors may redeem or withdraw their investment at a price that does not accurately reflect the value of their investment.

Although Pinnacle seeks to select only portfolio managers who will invest the Funds' assets with the highest level of integrity, Pinnacle's investment selection process cannot ensure that selected portfolio managers will perform as desired, and Pinnacle does not have any direct control over the day-to-day operations of any of its selected portfolio managers. Pinnacle may not necessarily be aware of certain activities at the underlying portfolio manager level, including without limitation a portfolio manager's engaging in unreported risks, investment "style drift," regulatory breaches, or fraud. As a result, there can be no assurance that portfolio managers selected by Pinnacle will conform their conduct to the desired standards. There is a risk that underlying portfolio managers may suffer a complete failure as a result of poor performance, failure to raise assets, regulatory violations and enforcement actions, fraud or other factors, which in any case could result in a complete loss of a Fund's investment with such portfolio manager. Investments with underlying portfolio managers carry additional risks including, but not limited to, lack of liquidity, ultimate lack of diversification, lack of transparency, reliance on portfolio managers for performance and valuation information, and dependence on key personnel risk.

Investors should consider an investment in a Fund as involving a high degree of financial risk and should therefore carefully consider all risk factors set forth in the relevant Fund's offering and/or operational documents. Each prospective investor should carefully review offering and/or operational documents, as applicable, before deciding to make an investment in a Fund.

## **Disciplinary Information**

Pinnacle and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to an investor's evaluation of the Company or its personnel.

## **Other Financial Industry Activities and Affiliations**

Pinnacle is a related party to PAGP. The members of PAGP are also limited partners of Pinnacle. PAGP is the general partner of Pinnacle Fund, Opportunity Fund, PNR Fund, PPF Fund and PPF Tax-Exempt. PAGP participates in the investments of these Funds and receives a performance allocation from Pinnacle Fund, Opportunity Fund and PNR Fund equal to a percentage of the net realized and unrealized appreciation allocated to the capital accounts of each limited partner as of the end of the calendar quarter or year, as applicable, subject to certain adjustments. PAGP is also the allocation shareholder of PPF Master and receives a performance allocation from PPF Master as of the end of the fiscal year equal to a percentage of the net realized and unrealized appreciation allocable to each investor in a feeder fund that

makes its investments through PPF Master, subject to certain adjustments. Pinnacle serves as the investment manager to the Funds and receives a management fee from each of the Funds.

Both Pinnacle and PAGP are registered as commodity trading advisors and commodity pool operators.

## **Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

To avoid any potential conflicts of interest involving personal trades, Pinnacle has adopted a Code of Ethics, which requires, among other things, that all employees:

- Act with integrity, competence, diligence, respect, and in an ethical manner with the public, clients, prospective clients, employers, employees, colleagues in the investment profession, and other participants in the global capital markets;
- Place the integrity of the investment profession, the interests of clients, and the interests of Pinnacle above the employee's own personal interests;
- Adhere to the fundamental standard that an employee should not take inappropriate advantage of such employee's position;
- Avoid any actual or potential conflict of interest;
- Conduct all personal securities transactions in a manner consistent with this policy;
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities;
- Practice and encourage others to practice in a professional and ethical manner that will reflect credit on oneself and the profession;
- Promote the integrity of, and uphold the rules governing, capital markets;
- Maintain and improve an employee's professional competence and strive to maintain and improve the competence of other investment professionals; and
- Comply with applicable provisions of the federal securities laws.

Pinnacle's Code of Ethics also requires employees to: 1) pre-clear certain personal securities transactions with the CCO, 2) report personal securities transactions to the CCO on at least a quarterly basis, and 3) provide the CCO with a detailed summary of certain holdings (both initially upon commencement of employment and annually thereafter) over which such employees have a direct or indirect beneficial interest, and 4) arrange for duplicate copies of all brokerage statements relating to personal trading accounts to be sent to the CCO directly from the broker.

Pinnacle and its employees and/or related persons may have investments in the Funds as well as in underlying funds in which the Funds invest. Pinnacle may determine to purchase or sell portfolio investments for one Fund, but not another, or purchase portfolio investments in different amounts for different Funds.

Pinnacle's CCO will monitor the Company's investment allocation procedures to ensure that they are adequate to prevent any Fund from being systematically disadvantaged. Additionally, investments by Pinnacle employees and/or related persons for their own accounts in underlying funds that may be suitable investment opportunities for a Fund are subject to review by Pinnacle's CCO.

PAGP may receive a pro rata share of the capital appreciation of the Funds for which it serves as general partner or allocation shareholder based on the value of its capital account, if any. Certain employees and related persons of Pinnacle, directly or through a holding company or investment vehicle, have an interest in the Funds and therefore indirectly participate in the capital appreciation of the Funds as well. Such related persons of Pinnacle are not, however, subject to the management fee or performance based compensation paid to Pinnacle.

Pinnacle may recommend or make investments in investment vehicles to which Pinnacle or related parties may provide services and from which they may receive fees. Pinnacle and its affiliates generally eliminate the duplication of fees and performance based compensation by waiving such amounts at one or more fund level.

Certain limited partners of the Funds that are either limited partnerships or limited liability companies may have a general partner or managing member that is an entity that is a related person to Pinnacle.

Investors may obtain a copy of Pinnacle's Code of Ethics by contacting Timothy P. Faenza by telephone at (212) 750-1778.

## **Brokerage Practices**

With respect to the Funds, the investment securities purchased and sold by the underlying funds and managed accounts are principally purchased and sold through brokerage firms or other counterparties. Pinnacle does not typically choose the broker or dealer through which each purchase or sale of securities is made.

Some portfolio managers may allocate portfolio transactions to brokers in consideration of such brokers' provision of, or payment of the cost of, certain services that are of benefit to the underlying fund or managed account and/or other clients of that portfolio manager. In such circumstances, portfolio transactions for the underlying fund or managed account are usually allocated to brokers in consideration of such factors as price, the ability of the brokers to affect the transactions, the brokers' facilities, reliability and financial responsibility, and any research or investment management-related services and equipment provided by such brokers. Accordingly, if a portfolio manager determines in good faith that the amount of commissions charged by a broker is reasonable in relation to the value of the brokerage and research or investment management-related services and equipment provided by such broker, the underlying fund or managed account may pay commissions to such broker in an amount greater than the amount another broker might charge.

Research or investment management-related services and equipment provided by brokers through which portfolio transactions for an underlying fund or managed account are executed, settled and cleared may include research reports on particular industries and companies, economic surveys and analyses, recommendations as to specific securities, on-line quotation systems, news and research services and other services (e.g., computer and telecommunications equipment) providing lawful and appropriate assistance to the portfolio managers (collectively "soft dollar items").

Soft dollar items may be provided directly by brokers, by third parties at the direction of brokers, or purchased by the underlying fund or managed account with credits or rebates provided by brokers. Soft dollar items may arise from over-the-counter principal transactions, as well as exchange traded agency transactions. Brokers sometimes suggest a level of business they would like to receive in return for the various services they provide. Actual brokerage business received by any broker may be less than the



suggested allocations, but can (and often does) exceed the suggestions, because total brokerage is allocated on the basis of all the considerations described above.

Underlying funds or managed accounts may use soft dollar items in certain circumstances, provided that an underlying fund or managed account does not pay a rate of commissions in excess of what is competitively available from comparable brokerage firms for comparable services, taking into account various factors, including commission rates, financial responsibility and strength and ability of the broker to efficiently execute transactions. Non-research products acquired by underlying funds or managed accounts through the use of “soft dollars” are outside the parameters of Section 28(e)’s “safe harbor,” as are transactions effected in futures, currencies or certain derivatives. Certain soft dollar items received by the underlying funds or managed accounts may be permitted in some cases outside the “safe harbor” of Section 28(e) under the specific authority of an underlying fund’s or managed account’s partnership agreement or similar governing instrument.

Brokers may also solicit or refer investors to invest in underlying funds or accounts managed by underlying portfolio managers. The availability of these benefits may create a conflict of interest for portfolio managers with respect to selecting one broker rather than another to perform services for the Funds. Portfolio managers are expected to use their best efforts to assure either that the fees and costs for services provided to the Funds by such brokers are reasonable in relation to the fees and costs charged by other equally capable brokers not offering such services or that the Funds also will benefit from the services. The receipt by portfolio managers of these benefits might increase brokerage expenses.

Given the nature of Pinnacle’s investment strategy, Pinnacle generally does not aggregate subscriptions to or redemptions from underlying funds, or purchases or sales of any other securities, for the Funds. The Funds’ underlying portfolio managers may or may not aggregate purchases or sales of securities for the Funds and other accounts under their management pursuant to their own individual policies and procedures, as applicable.

## **Review of Accounts**

Donnell A. Segalas, Managing Partner & CEO, Jason M. Kellman, Managing Partner & CIO, Scott L. Kellman, Managing Partner, and Marcel N. Massimb, Ph.D., Managing Director, Research and Risk Management, are the four members of Pinnacle’s Investment Committee. The Investment Committee is responsible for all investment decisions. The Investment Committee meets formally on a monthly basis to review the Funds’ portfolio investments and consider new portfolio investments, as applicable. All decisions regarding the Funds’ investments must be unanimous; each committee member has the power to veto a decision.

Investors in the Funds will receive (1) within the 180 days of the Funds’ fiscal year end, written annual audited financial statements performed by an independent public accounting firm, (2) a statement showing the investor’s share of the respective Fund’s items of income, gain, loss, deduction and credit relevant for federal income tax purposes, if applicable, and (3) an annual statement of the changes in such investor’s capital account. In addition, each investor in the PNR Funds, the Opportunity Funds and the PPF Funds receives a written monthly performance report, whereas the remaining investors in P Fund will receive such reports quarterly on a going forward basis. Also, with the exception of P Fund and the PPF Funds, investors receive a quarterly letter stating the previous quarter’s unaudited results along with Pinnacle’s comments on significant market or investment developments relating to the respective Fund. Certain investors may receive more frequent transparency and/or different portfolio information.

## **Client Referrals and Other Compensation**

Pinnacle maintains agreements with unaffiliated third-party solicitors, finders and servicing agents (collectively referred to herein as "Solicitors") that assist it in establishing investor relationships for a fee. The compensation paid by Pinnacle is for referring the potential investors to the Funds to which Pinnacle provides advisory services. Services provided by the Solicitors could include making introductions, communicating with investors, and providing the investors with information and materials about the advisory services Pinnacle provides to the Funds. In no event will the services provided by Solicitors to Pinnacle include investment advisory services. Generally, the compensation paid by Pinnacle to the Solicitors is paid from the management fees and/or performance based compensation earned with respect to the investments made by investors introduced by the Solicitors and such compensation is not passed through to the referred investors in any way. Compensation paid to Solicitors may be determined as a percentage of the amount invested by the investors that they introduce to Pinnacle, or a percentage of the management fee and/or the performance based compensation paid by the investor, or may be a fixed one-time or monthly fee or some combination thereof.

## **Custody**

The Funds' assets are held in custody by unaffiliated brokers and banks. However, Pinnacle has access to the Funds' accounts since PAGP serves as general partner to the U.S. domiciled funds managed by Pinnacle. The Funds' investors will not receive statements directly from the Funds' custodians. Instead, the Funds are subject to an annual audit, and the audited financial statements are distributed to each investor. As discussed previously, such audited financial statements will be prepared in accordance with generally accepted accounting principles and distributed within 180 days of the Funds' fiscal year ends.

## **Investment Discretion**

Subject to the investment guidelines set forth in the offering and/or operational documents of the applicable Fund, Pinnacle has discretion to determine the underlying funds or accounts in which the Funds will invest, and to determine the amount of investment in such underlying funds or accounts.

## **Voting Client Securities**

As a fund of funds adviser, Pinnacle is rarely, if ever, requested to vote the proxies of traditional operating companies. However, Pinnacle may receive requests related to amendments, consents and/or resolutions as a result of investments in underlying funds. As such, Pinnacle has adopted Proxy Voting Policies and Procedures that are designed to ensure that Pinnacle votes proxy proposals, amendments, consents and/or resolutions (collectively, "proxies") in a manner that serves the best interests of its clients as determined by Pinnacle in its discretion. The Procedures also require that Pinnacle identify and address conflicts of interest between Pinnacle and its clients. If a material conflict of interest exists, Pinnacle will determine whether voting in accordance with the guidelines set forth in the Procedures is in the best interests of the client or take some other appropriate action. Pinnacle generally votes in favor of routine corporate housekeeping proposals, including election of directors. Generally, Pinnacle will vote against proposals that make it more difficult to replace members of a board of directors. For all other proposals, Pinnacle will determine whether a proposal is in the best interests of its clients and may take

into account the following factors, among others: (i) whether the proposal was recommended by management and Pinnacle's opinion of management; (ii) whether the proposal acts to entrench existing management; (iii) whether the proposal fairly compensates management for past and future performance.; (iv) the costs associated with the proxy; (v) the impact on redemption or withdrawal rights; (vi) the continued or increased availability of portfolio information; and (vii) industry and business practices.

Investors may obtain a copy of Pinnacle's Proxy Voting Policies and Procedures and information about how Pinnacle voted an applicable Fund's proxies without charge by contacting Timothy P. Faenza by telephone at (212) 750-1778.

## **Financial Information**

Pinnacle has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage the Funds.