

**Form ADV Part 2B: Brochure Supplement**  
**Item 1: Cover Page**  
**November 2013**

**Kenyon Lederer**

**Pinnacle Asset Management, Inc.**  
**2271 Lava Ridge Court – Suite 200**  
**Roseville, CA 95661**  
**[www.pinnacle-mgmt.com](http://www.pinnacle-mgmt.com)**

This brochure supplement provides information about Kenyon Lederer that supplements our brochure. You should have received a copy of that brochure. Please contact Mr. Lederer, Chief Compliance Officer, if you did not receive Pinnacle Asset Management, Inc.'s brochure or if you have any questions about the contents of this supplement.

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

## Item 2: Educational Background & Business Experience

**Kenyon Lederer**

**Year of Birth: 1968**

### **Educational Background:**

- 1991; California State University, Sacramento; Bachelor of Science in Business Administration – Finance

### **Business Background:**

- 09/1998 – Present Pinnacle Asset Management, Inc.; President, Chief Compliance Officer and Investment Adviser Representative as of 11/2013
- 11/2013 – Present Purshe Kaplan Sterling Investments, Inc.; Registered Representative
- 10/2007 – 11/2013 INVEST Financial Corporation; Registered Representative and Investment Adviser Representative
- 10/1994 – 10/2007 Securities America, Inc.; Registered Representative and Investment Adviser Representative

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

- 09/1992 – Series 6
- 09/1992 – Series 63
- 01/1994 – Series 7
- 05/1997 – Series 24
- 05/1994 – California Life Insurance License
- 05/1995 – Certified Fund Specialist
- 05/1999 – Certified Financial Planner
- 08/2002 – Chartered Financial Consultant

### **CFS® - Certified Fund Specialist®:**

Mr. Lederer has earned a CFS designation.. CFS® is the oldest designation in the mutual fund industry.

With mutual funds training, a Certified Fund Specialist® is able to evaluate and compare financial measurements and benchmarks when constructing a portfolio. Modern portfolio theory (MPT) is a key part of the program; its components are broken down and detailed in terms the advisor can easily understand and convey to a client. Armed with MPT and other selection criteria learned as part of the mutual fund education, a suitable and efficient portfolio using closed-end, exchange-traded, and open-end funds can be derived.

Practitioners and academics continually update the CFS® materials. Students obtain the best of both worlds—the practical as well as the theoretical. Closed-end funds, ETFs, REITs and UITs are also covered, thereby providing the student with a more rounded education. With this additional investment knowledge, advisors and brokers offer ideas to clients that they would not receive elsewhere.

### **CFP® - CERTIFIED FINANCIAL PLANNER™:**

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP marks are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its high standard of professional education, stringent code of conduct and standards of practice and ethical requirements that govern professional engagements with clients. To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements: Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university, pass the comprehensive CFP® Certification Examination, Complete at least three years of full-time financial planning-related experience and agree to be bound by CFP Board's *Standards of Professional Conduct*.

Individuals who become certified must complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial industry and renew an agreement to be bound by the *Standards of Professional Conduct*. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

### **ChFC® - Chartered Financial Consultant:**

Mr. Lederer has a professional designation, Chartered Financial Consultant. The ChFC® is offered by The American College. To receive the ChFC® designation, you must successfully complete all courses in your selected program, meet experience requirements and ethics standards, and agree to comply with The American College Code of Ethics and Procedures.

Three years of full-time business experience is required for all Huebner School designations. The following activities meet the required business experience qualifications included in the ChFC® certification process.

Insurance and health care:

- Field underwriting and management, including sales and service activities, supervision and management of persons involved in sales or services, or staff support of persons in these activities.
- Company management and operations in positions involving substantial responsibility.
- Financial services and employee benefits
- Client service and related management, including direct contact with clients, supervision and management of persons involved directly in the process of providing financial services or employee benefits, or staff support of persons in these activities.
- Financial institution management and operations in positions involving substantial responsibility.

Other:

- University or college teaching of subjects related to the Huebner School curriculum on a full-time basis at an accredited institution of higher education.
- Government regulatory service in a responsible administrative, supervisory, or operational capacity.
- Activities directly or indirectly related to the protection, accumulation, conservation, or distribution of the economic value of human life; these include the work of actuaries, attorneys, CPAs, investment advisers, real estate investment advisers, stockbrokers, trust officers, or persons in other similar occupations.

### Item 3: Disciplinary Information<sup>1</sup>

There are no legal or disciplinary events material to your evaluation of Mr. Lederer.

### Item 4: Other Business Activities

A. If Mr. Lederer is actively engaged in any investment-related business or occupation, including if Mr. Lederer 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. Lederer'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.

Mr. Lederer is a licensed insurance agent. He may offer insurance products and receive normal and customary fees as a result of insurance sales. A conflict of interest may arise as these insurance sales may create an incentive to recommend products based on the compensation he and/or our supervised persons may earn and may not necessarily be in the best interests of the client.

2. If Mr. Lederer 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 Mr. Lederer receives. We must explain that this practice gives Mr. Lederer an incentive to recommend investment products based on the compensation received, rather than on your needs.

<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 [supervised person] to determine whether it is appropriate to rebut the presumption of materiality, we consider all of the following factors: (1) the proximity of [supervised person] 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.

Mr. Lederer is a registered representative of Purshe Kaplan Sterling Investments, Inc., member FINRA/SIPC. He may offer securities and receive normal and customary commissions as a result of securities transactions. A conflict of interest may arise as these commissionable securities sales may create an incentive to recommend products based on the compensation Mr. Lederer may earn and may not necessarily be in the best interests of the client.

- B. If Mr. Lederer 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 Mr. Lederer's income or involve a substantial amount of Mr. Lederer'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. Lederer's time and income, we may presume that they are not substantial.

We have nothing to disclose in this regard.

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

If someone who is not a client provides an economic benefit to Mr. Lederer 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 Mr. Lederer's 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. Lederer, including how we monitor the advice Mr. Lederer provides to you. Our firm has to provide the name, title and telephone number of the person responsible for supervising Mr. Lederer's advisory activities on behalf of our firm.

Mr. Lederer is the sole principal and Chief Compliance Officer and as such has no internal supervision placed over him. He is, however, bound by our firm's Code of Ethics.