

Pinnacle Capital Management (PCM)

Frequently Asked Questions

What is a Money Manager?

A Money Manager is an investment professional (or team of professionals) who monitors portfolios of stocks, bonds, cash, and other securities tailored to meet specific investment objectives. Money Managers have full trading discretion over the accounts they manage and buy and sell securities according to clearly defined investment styles and disciplines.

What are the features of using a Money Manager?

A Money Manager can offer individualized portfolios, professional management and oversight, flexibility, transparency, diversification, tax efficiency, and asset allocation, among other services.

What type of investors use a Money Manager?

Each individual client has different needs that change over time. Our Client Consultants (or your Financial Advisor) can help you decide whether an account with a Money Manager is appropriate for your current financial situation, investment objectives, time horizon, and risk tolerance along with other factors.

What is the difference between a Money Manager and a Financial Advisor?

A Money Manager's sole responsibility is to manage investment portfolios for their clients. A Financial Advisor's responsibilities are much broader usually taking a consultative role in the client relationship discussing all areas of financial planning and placement of assets. A Money Manager is authorized to effect securities transactions within a client's portfolio on a discretionary basis whereas a Financial Advisor usually has to get authorization to make a transaction each time they make a recommendation. A Money Manager is paid an annual asset-based fee whereas a Financial Advisor is usually paid a commission for each transaction. A client can usually benefit from a relationship with both a Money Manager and Financial Advisor.

What Investment Strategies are available?

Pinnacle Capital Management offers a variety of portfolios each corresponding to different investment objectives. Our portfolios include Aggressive Growth, Growth, Balanced, Moderate, Conservative, and Active Asset Allocation (AAA). Our Client Consultants (or your Financial Advisor) can help determine the best portfolio to meet your individual needs.

How do I stay informed of my portfolio's performance?

Regular communication from our Portfolio Management Team is an essential tool in keeping you (and your Financial Advisor) informed. The tools usually provided include access to our Client Consultants, quarterly performance reporting, investment commentary, annual review of your investment plan, and periodic reviews with our Portfolio Managers.

What if I have special requests?

Pinnacle Capital Management allows investors to impose reasonable stock, sector, or other preferences and restrictions on the management of their accounts. For example, if you own your employer's stock in your retirement savings plan, you (and your Financial Advisor) may decide not to invest additional assets in that company. We also will accommodate, within reason, socially conscious investors.

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What is the minimum account size?

In our Portfolio Managers' experience, a minimum of \$100,000 is needed to have an investment portfolio broad enough to provide proper diversification with individual positions sufficient enough to have a meaningful impact on the overall portfolio. If you are unable to meet the minimum account requirement, our affiliate, Pinnacle Investments may have a better investment alternative for you.

Where are my assets held?

Although our clients have the right to choose their preferred custodian, most of Pinnacle Capital Management's client assets are held through Pinnacle Investments at First Clearing. First Clearing is a trade name used by Wells Fargo Clearing Services, LLC, a non-bank affiliate of Wells Fargo Bank & Company. First Clearing was established in 1983. Accounts held at First Clearing are covered by SIPC insurance, among other coverage.

Are my assets pooled with other investor funds?

No, all investors maintain their own portfolio in a separate account established in their name.

How does a Money Manager get paid?

Pinnacle Capital Management is paid by one convenient, annual asset-based fee covering professional investment management and advice, development of your individual investment plan, ongoing portfolio monitoring, performance reporting, and periodic reviews with a Portfolio Manager and a Client Consultant (your Financial Advisor is always welcome).

Do I have to pay commissions for the transactions the Money Manager performs?

No, Pinnacle Capital Management does not charge commissions to buy or sell securities in your account, although your custodian may. Pinnacle Capital Management has an agreement with Pinnacle Investments not to charge commissions to any of Pinnacle Capital Management's clients who custody assets with First Clearing through the firm.

Can I have my management fee deducted from my account? If I have a retirement account, is this considered a distribution?

You may have your management fee automatically deducted from your account on a quarterly basis and outlined on your monthly statement. Investment management fees may even be tax-deductible (please consult your tax preparer for specific advice). If in a retirement account, this payment for service is not considered a distribution and is not subject to taxes or penalties.

By signing the Client Agreement, am I locking into a contractual term?

No, our Client Agreement allows termination of the relationship at any time. However, you should understand that all of our investment strategies are designed to produce long term results, therefore our clients are not expected to evaluate their portfolio based on short-term time periods.

How do I get started?

Pinnacle Capital Management will be happy to assist you in establishing an account. Please contact us at (315) 234-9716 or (800) 982-0421 to get started. We are confident we have the strategy that is right for you.



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