

**FORM ADV****Uniform Application for Investment Adviser Registration****Part II - Page 1**

Name of Investment Adviser: Acela Capital Management, LLC				
Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone Number:
20380 Town Center Lane, Suite 200	Cupertino	CA	95014	(408) 861-9888

**This part of Form ADV gives information about the investment adviser and its business for the use of clients.  
The information has not been approved or verified by any governmental authority.**

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

**Potential persons who are to respond to the collection of information contained in this form  
are not required to respond unless the form displays a currently valid OMB control number.**

**FORM ADV**  
**Part II - Page 2**

Applicant:	SEC File Number:	Date:
Acela Capital Management, LLC	801-	11/19/2010

1.	<p><b>A. Advisory Services and Fees.</b> (check the applicable boxes)</p> <p><b>Applicant:</b></p> <table border="0"><tr><td><input checked="" type="checkbox"/> (1)</td><td>Provides investment supervisory services.....</td><td style="text-align: right;">95</td><td style="text-align: right;">%</td></tr><tr><td><input type="checkbox"/> (2)</td><td>Manages investment advisory accounts not involving investment supervisory services .....</td><td style="text-align: right;">0</td><td style="text-align: right;">%</td></tr><tr><td><input checked="" type="checkbox"/> (3)</td><td>Furnishes investment advice through consultations not included in either service described above .....</td><td style="text-align: right;">5</td><td style="text-align: right;">%</td></tr><tr><td><input type="checkbox"/> (4)</td><td>Issues periodicals about securities by subscription .....</td><td style="text-align: right;">0</td><td style="text-align: right;">%</td></tr><tr><td><input type="checkbox"/> (5)</td><td>Issues special reports about securities not included in any service described above.....</td><td style="text-align: right;">0</td><td style="text-align: right;">%</td></tr><tr><td><input type="checkbox"/> (6)</td><td>Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities .....</td><td style="text-align: right;">0</td><td style="text-align: right;">%</td></tr><tr><td><input checked="" type="checkbox"/> (7)</td><td>On more than an occasional basis, furnishes advice to clients on matters not involving securities .....</td><td style="text-align: right;">0</td><td style="text-align: right;">%</td></tr><tr><td><input type="checkbox"/> (8)</td><td>Provides a timing service.....</td><td style="text-align: right;">0</td><td style="text-align: right;">%</td></tr><tr><td><input type="checkbox"/> (9)</td><td>Furnishes advice about securities in any manner not described above .....</td><td style="text-align: right;">0</td><td style="text-align: right;">%</td></tr></table> <p style="text-align: center;">(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)</p>	<input checked="" type="checkbox"/> (1)	Provides investment supervisory services.....	95	%	<input type="checkbox"/> (2)	Manages investment advisory accounts not involving investment supervisory services .....	0	%	<input checked="" type="checkbox"/> (3)	Furnishes investment advice through consultations not included in either service described above .....	5	%	<input type="checkbox"/> (4)	Issues periodicals about securities by subscription .....	0	%	<input type="checkbox"/> (5)	Issues special reports about securities not included in any service described above.....	0	%	<input type="checkbox"/> (6)	Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities .....	0	%	<input checked="" type="checkbox"/> (7)	On more than an occasional basis, furnishes advice to clients on matters not involving securities .....	0	%	<input type="checkbox"/> (8)	Provides a timing service.....	0	%	<input type="checkbox"/> (9)	Furnishes advice about securities in any manner not described above .....	0	%	<p>For each type of service provided, state the approximate % of total advisory billings from that service (See instruction below.)</p>
<input checked="" type="checkbox"/> (1)	Provides investment supervisory services.....	95	%																																			
<input type="checkbox"/> (2)	Manages investment advisory accounts not involving investment supervisory services .....	0	%																																			
<input checked="" type="checkbox"/> (3)	Furnishes investment advice through consultations not included in either service described above .....	5	%																																			
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<input type="checkbox"/> (6)	Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities .....	0	%																																			
<input checked="" type="checkbox"/> (7)	On more than an occasional basis, furnishes advice to clients on matters not involving securities .....	0	%																																			
<input type="checkbox"/> (8)	Provides a timing service.....	0	%																																			
<input type="checkbox"/> (9)	Furnishes advice about securities in any manner not described above .....	0	%																																			
		Yes	No																																			
B. Does applicant call any of the services it checked above financial planning or some similar term? .....		<input checked="" type="checkbox"/>	<input type="checkbox"/>																																			
C. Applicant offers investment advisory services for: (check all that apply)																																						
<input checked="" type="checkbox"/> (1)	A percentage of assets under management	<input type="checkbox"/> (4)	Subscription fees																																			
<input checked="" type="checkbox"/> (2)	Hourly charges	<input type="checkbox"/> (5)	Commissions																																			
<input checked="" type="checkbox"/> (3)	Fixed fees (not including subscription fees)	<input type="checkbox"/> (6)	Other																																			
D. For each checked box in A above, describe on Schedule F:																																						
<ul style="list-style-type: none"><li>• the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee</li><li>• applicant's basic fee schedule, how fees are charged and whether its fees are negotiable</li><li>• when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date</li></ul>																																						
2. <b>Types of clients</b> -- Applicant generally provides investment advice to: (check those that apply)																																						
<input checked="" type="checkbox"/> A.	Individuals	<input checked="" type="checkbox"/> E.	Trusts, estates, or charitable organizations																																			
<input type="checkbox"/> B.	Banks or thrift institutions	<input checked="" type="checkbox"/> F.	Corporations or business entities other than those listed above																																			
<input type="checkbox"/> C.	Investment companies	<input type="checkbox"/> G.	Other (describe on Schedule F)																																			
<input checked="" type="checkbox"/> D.	Pension and profit sharing plans																																					

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

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Applicant:	SEC File Number:	Date:
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**3. Types of Investments.** Applicant offers advice on the following: (check those that apply)

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> A. Equity securities                                       | <input checked="" type="checkbox"/> H. United States government securities |
| <input checked="" type="checkbox"/> (1) exchange-listed securities                             |  |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter                     |  |
| <input type="checkbox"/> (3) foreign issues  |  |
| <input type="checkbox"/> B. Warrants   | <input checked="" type="checkbox"/> I. Options contracts on:               |
|  | (1) securities   |
|  | <input type="checkbox"/> (2) commodities                                   |
| <input checked="" type="checkbox"/> C. Corporate debt securities (other than commercial paper) |  |
| <input type="checkbox"/> D. Commercial paper   | <input type="checkbox"/> J. Futures contracts on:                          |
| <input type="checkbox"/> E. Certificates of deposit  | (1) tangibles  |
|  | <input type="checkbox"/> (2) intangibles                                   |
| <input checked="" type="checkbox"/> F. Municipal securities                                    |  |
| <input type="checkbox"/> G. Investment company securities:                                     | <input type="checkbox"/> K. Interests in partnerships investing in:        |
| (1) variable life insurance  | (1) real estate  |
| <input type="checkbox"/> (2) variable annuities  | <input type="checkbox"/> (2) oil and gas interests                         |
| <input checked="" type="checkbox"/> (3) mutual fund shares                                     | <input type="checkbox"/> (3) other (explain on Schedule F)                 |
|  | <input checked="" type="checkbox"/> L. Other (explain on Schedule F)       |

**4. Methods of Analysis, Sources of Information, and Investment Strategies.**

A. Applicant's security analysis methods include: (check those that apply)

- |   |   |
|---|---|
| (1) <input type="checkbox"/> Charting               | (4) <input type="checkbox"/> Cyclical                                 |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input checked="" type="checkbox"/> Other (explain on Schedule F) |
| (3) <input checked="" type="checkbox"/> Technical   |   |

B. The main sources of information applicant uses include: (check those that apply)

- |   |   |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines    | (5) <input type="checkbox"/> Timing services  |
| (2) <input checked="" type="checkbox"/> Inspections of corporate activities   | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases  |
| (4) <input checked="" type="checkbox"/> Corporate rating services             | (8) <input checked="" type="checkbox"/> Other (explain on Schedule F)   |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- |  |   |
|--|---|
| (1) <input checked="" type="checkbox"/> Long term purchases<br>(securities held at least a year) | (5) <input type="checkbox"/> Margin transactions  |
| (2) <input checked="" type="checkbox"/> Short term purchases<br>(securities sold within a year)  | (6) <input checked="" type="checkbox"/> Option writing, including covered options,<br>uncovered options or spreading strategies |
| (3) <input type="checkbox"/> Trading (securities sold within 30 days)                            | (7) <input checked="" type="checkbox"/> Other (explain on Schedule F)   |
| (4) <input type="checkbox"/> Short sales   |   |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

**FORM ADV****Part II - Page 4**

Applicant:

Acela Capital Management, LLC

SEC File Number:

801-

Date:

11/19/2010

**5. Education and Business Standards.**

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? ..... ☒ Yes ☐ No

(If yes, describe these standards on Schedule F.)

**6. Education and Business Background.**

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- |                 |  |
|-----------------|--|
| • name          | • formal education after high school               |
| • year of birth | • business background for the preceding five years |

**7. Other Business Activities.** (check those that apply)

- ☒ A. Applicant is actively engaged in a business other than giving investment advice.
- ☒ B. Applicant sells products or services other than investment advice to clients.
- ☐ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

**8. Other Financial Industry Activities or Affiliations.** (check those that apply)

- ☐ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- |  |  |
|--|--|
| <input type="checkbox"/> (1) broker-dealer   | <input type="checkbox"/> (7) accounting firm                                       |
| <input type="checkbox"/> (2) investment company  | <input type="checkbox"/> (8) law firm  |
| <input type="checkbox"/> (3) other investment adviser  | <input type="checkbox"/> (9) insurance company or agency                           |
| <input type="checkbox"/> (4) financial planning firm   | <input type="checkbox"/> (10) pension consultant                                   |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer                         |
| <input type="checkbox"/> (6) banking or thrift institution   | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest? ..... ☐ Yes ☒ No

(If yes, describe on Schedule F the partnerships and what they invest in.)

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

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**Part II - Page 5**

Applicant:	SEC File Number:	Date:
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**9. Participation or Interest in Client Transactions.**

Applicant or a related person: (check those that apply)

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☐ B. As broker or agent effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☐ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☒ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

- 10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account?.....

Yes ☐ No ☒

(If yes, describe on Schedule F.)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

*Please see the disclosure set forth on Schedule F to this Form ADV.*

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

*Please see the disclosure set forth on Schedule F to this Form ADV.*

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**FORM ADV**  
**Part II - Page 6**

Applicant:	SEC File Number:	Date:
Acela Capital Management, LLC	801-	11/19/2010

**12. Investment or Brokerage Discretion.**

- A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:
- |  |  |   |
|--|--|---|
| (1) securities to be bought or sold? .....               | Yes<br><input checked="" type="checkbox"/> | No<br><input type="checkbox"/>            |
| (2) amount of the securities to be bought or sold? ..... | Yes<br><input checked="" type="checkbox"/> | No<br><input type="checkbox"/>            |
| (3) broker or dealer to be used? .....                   | Yes<br><input type="checkbox"/>            | No<br><input checked="" type="checkbox"/> |
| (4) commission rates paid? .....                         | Yes<br><input type="checkbox"/>            | No<br><input checked="" type="checkbox"/> |

- B. Does applicant or a related person suggest brokers to clients? ..... Yes ☒ No ☐

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

**13. Additional Compensation.**

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? ..... Yes ☒ No ☐
- B. directly or indirectly compensates any person for client referrals? ..... Yes ☐ No ☒

(For each yes, describe the arrangements on Schedule F.)

**14. Balance Sheet.** Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities; or
  - requires prepayment of more than \$500 in fees per client and 6 or more months in advance
- Has applicant provided a Schedule G balance sheet? ..... Yes ☐ No ☒

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of  
Form ADV****Continuation Sheet for Form ADV Part II**

Applicant:

Acela Capital Management, LLC

SEC File Number:

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11/19/2010

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Acela Capital Management, LLC	IRS Empl. Ident. No.: 27-2293940
Item of Form (identify)	Answer
1D	<p>Acela Capital Management, LLC (the "Registrant") is an investment adviser providing financial planning, consulting, and investment management services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities. The Registrant, depending upon the engagement, offers its services on a fee basis which may include hourly and/or fixed fees as well as fees based upon assets under management. Prior to engaging the Registrant to provide any of the foregoing investment advisory services, the client will be required to enter into one or more written agreements with the Registrant setting forth the terms and conditions under which the Registrant shall render its services (collectively the "Agreement").</p> <p>The Registrant may provide its clients with financial planning and consulting services (which may include non-investment related matters). Any financial planning services shall be provided as part of the overall investment management fee as detailed further below. The Registrant will charge a fixed fee and/or hourly fee for any consulting services. The Registrant's consulting fees are negotiable, but generally range from \$500 to \$10,000 on a fixed fee basis and/or from \$200 to \$400 on an hourly rate basis, depending upon the level and scope of the services and the professional rendering the consulting services. If the client engages the Registrant for additional investment advisory services, the Registrant may offset all or a portion of its fees for those services based upon the amount paid for the consulting services.</p> <p>Prior to engaging the Registrant to provide consulting services, the client will generally be required to enter into a written agreement with the Registrant setting forth the terms and conditions of the engagement and describing the scope of the services to be provided and the portion of the fee that is due from the client prior to the Registrant commencing services. Generally, the Registrant requires one-half of the consulting fee (estimated hourly or fixed) payable upon entering the written agreement. The balance is generally due upon the completion of the agreed upon services. Either party may terminate the agreement by written notice to the other. In the event the client terminates the Registrant's consulting services, the balance of the Registrant's unearned fees (if any) shall be refunded to the client. If termination occurs within five business days of entering into an agreement for such services the client shall be entitled to a full refund.</p> <p>In performing its services, the Registrant shall not be required to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information. The Registrant may recommend the services of itself and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if the Registrant recommends its own services. The client is under no obligation to act upon any of the recommendations made by the Registrant under a consulting engagement and/or engage the services of any such recommended professional, including the Registrant itself. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any of the Registrant's recommendations. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing, evaluating, or revising the Registrant's previous recommendations and/or services.</p> <p>In the event the client determines to engage the Registrant to provide investment management services, the Registrant shall do so on a fee basis. If engaged, the Registrant shall charge an annual fee based upon a percentage of the market value of the assets being managed by the Registrant. As discussed in response to Item 12B (below), the Registrant's annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. However, the Registrant shall not receive any portion of these commissions, fees, and costs. The Registrant's annual fee shall be prorated and charged quarterly, in arrears, based upon the average daily balance of the assets in the previous quarter. The annual fee shall vary (between 0.50% and 2.00%) depending upon the market value of the assets under management and the type of investment management services to be rendered.</p>

The Registrant, in its sole discretion, may negotiate to charge a lesser management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, *pro bono* activities, etc.).

The Registrant offers advice on each type of investment described in Part II of Form ADV (Item 3). However, the Registrant intends to primarily allocate its client's investment management assets on a discretionary basis among mutual funds, exchange-traded funds (ETFs), individual equity and debt securities and *Independent Managers* (as defined below), in accordance with the investment objectives of the client.

As further discussed in response to Item 12B (below), the Registrant shall generally recommend that clients utilize the brokerage and clearing services of Fidelity Institutional Wealth Services ("*Fidelity*") for investment management accounts.

The Registrant may only implement its investment management recommendations after the client has arranged for and furnished the Registrant with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions shall include, but are not limited to, *Fidelity*, any other broker-dealer recommended by the Registrant, broker-dealer directed by the client, trust companies, banks etc. (collectively referred to herein as the "*Financial Institution(s)*").

Clients may incur certain charges imposed by the *Financial Institution(s)* and other third parties such as fees charged by *Independent Managers* (as defined below), custodial fees, charges imposed directly by a mutual fund or exchange traded fund in the account, which shall be disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, for assets outside of any wrap fee programs, clients may incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to the Registrant's fee.

The Registrant's *Agreement* and/or the separate agreement with the *Financial Institution(s)* may authorize the Registrant through the *Financial Institution(s)* to debit the client's account for the amount of the Registrant's fee and to directly remit that management fee to the Registrant in accordance with applicable custody rules. The *Financial Institution(s)* recommended by the Registrant have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to the Registrant.

The Registrant may also recommend that certain clients authorize the active discretionary management of a portion of their assets by and/or among certain independent investment manager(s) either directly or through a wrap fee program ("*Independent Manager(s)*"), based upon the stated investment objectives of the client. The terms and conditions under which the client shall engage the *Independent Manager(s)* shall be set forth in separate written agreements between (1) the client and the Registrant and (2) the Registrant or client and the designated *Independent Manager(s)* and/or wrap fee program sponsor. The Registrant shall continue to render advisory services to the client relative to the ongoing monitoring and review of account performance, for which the Registrant shall receive an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated *Independent Manager(s)*. Factors that the Registrant shall consider in recommending *Independent Manager(s)* include the client's stated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated *Independent Manager(s)*, together with the fees charged by the wrap fee program sponsor and corresponding designated broker-dealer/custodian of the client's assets, may be exclusive of, and in addition to, the Registrant's investment advisory fee set forth above. As discussed above, the client may incur additional fees than those charged by the Registrant, the designated *Independent Manager(s)*, wrap fee program sponsor (if applicable), and corresponding broker-dealer and custodian.

In addition to the Registrant's written disclosure statement, the client shall also receive the written disclosure statement of the designated *Independent Manager(s)* and wrap fee program sponsor (if applicable). Certain *Independent Manager(s)* may impose more restrictive account requirements and varying billing practices than the Registrant. In such instances, the Registrant may alter its corresponding account requirements and/or billing practices to accommodate those of the *Independent Manager(s)* or wrap fee program sponsor.

If the Registrant refers a client to certain *Independent Manager(s)* where the Registrant's

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).



	<p>compensation is included in the advisory fee charged by such <i>Independent Manager(s)</i> and the client engages those <i>Independent Manager(s)</i>, the Registrant shall be compensated for its services by receipt of a fee to be paid directly by the <i>Independent Manager(s)</i> to the Registrant in accordance with the requirements of applicable state securities laws, rules, regulations, or requirements. Any such fee shall be paid solely from the <i>Independent Manager(s)</i> investment management fee or the program fee of the wrap fee program (as appropriate), and shall not result in any additional charge to the client.</p> <p>The Registrant also may render non-discretionary investment management services to clients relative to: variable life/annuity products that they may own, their individual employer-sponsored retirement plans, and/or 529 plans or other products that may not be held by the client's primary custodian. In so doing, the Registrant either directs or recommends the allocation of client assets among the various investment options that are available with the product. The client assets shall be maintained at the specific insurance company or custodian designated by the product.</p> <p>The client may make additions to and withdrawals from the account at any time, subject to the Registrant's right to terminate an account. Clients may withdraw account assets on notice to the Registrant, subject to the usual and customary securities settlement procedures. However, the Registrant designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives.</p> <p>For the initial period of investment management services, the first period's fees shall be calculated on a <i>pro rata</i> basis. The <i>Agreement</i> between the Registrant and the client will continue in effect until terminated by either party pursuant to the terms of the <i>Agreement</i>. The Registrant's annual fee shall be prorated through the date of termination and any remaining balance shall be charged or refunded to the client, as appropriate, in a timely manner.</p> <p>Additions may be in cash or securities provided that the Registrant reserves the right to liquidate any transferred securities, or decline to accept particular securities into a client's account. The Registrant may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (<i>i.e.</i> contingent deferred sales charge) and/or tax ramifications.</p> <p>The Registrant's clients are advised to promptly notify the Registrant if there are ever any changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon the Registrant's management services.</p> <p>Neither the Registrant nor the client may assign the <i>Agreement</i> without the consent of the other party. Transactions that do not result in a change of actual control or management of the Registrant shall not be considered an assignment.</p> <p>A copy of the Registrant's privacy policy notice and a written disclosure statement that meets applicable state law requirements shall be provided to each client prior to or contemporaneously with the execution of the <i>Agreement</i>. Any client who has not received a copy of the Registrant's written disclosure statement at least forty-eight (48) hours prior to executing the <i>Agreement</i> shall have five (5) business days subsequent to executing the agreement to terminate the Registrant's services without penalty.</p> <p>The Registrant does not vote proxies on behalf of its clients.</p>
3L	The Registrant may also provide advice about ETFs and any type of investment held in a client's portfolio at the beginning of the advisory relationship.
3L, 4A(5), 4B(8), and 4C(7)	<p>As further discussed in the response to Item 1D (above), the Registrant may recommend that clients authorize the active discretionary management of a portion of their assets by and/or among certain <i>Independent Manager(s)</i>, based upon the stated investment objectives of the client. The Registrant shall continue to render services to the client relative to the discretionary selection of <i>Independent Manager(s)</i> as well as the monitoring and review of account performance and client investment objectives. When selecting an <i>Independent Manager</i> for a client, the Registrant shall review information about the <i>Independent Manager(s)</i> such as its disclosure statement and/or material supplied by the <i>Independent Manager(s)</i> or independent third parties for a description of the <i>Independent Manager's</i> investment strategies, past performance and risk results to the extent available.</p> <p>In addition to the methods of analysis, sources of information and investment strategies listed in Item 4 by the Registrant, the <i>Independent Manager(s)</i> may utilize other methods, sources and strategies, all of which will be described on such <i>Independent Manager(s)</i> Form ADV.</p>

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5	All individuals that render investment advisory services on behalf of the Registrant must have earned a college degree and/or have substantive investment-related experience. In addition, all such individuals shall have attained all required investment-related licenses and/or designations.
6	<p><b>ZHAOZHU GE</b>  Born 1969  <i>Post-Secondary Education:</i>  New York University, Stern School of Business—2004, MBA, Finance &amp; Management  University of Delaware—1998, PhD, Mechanical Engineering  University of Delaware—1997, MS, Computer and Information Science  Tsinghua University—1990, BE, Precision Instruments  <i>Recent Business Background:</i>  Acela Capital Management, Managing Member, 5/2010 – Present  Morgan Stanley Smith Barney, Financial Advisor, 10/2006 – 5/2010  Concurrent Technologies Corp., Principal Software Engineer, 10/1999 – 10/2006</p> <p><b>ZHAOHUI LI</b>  Born 1971  <i>Post-Secondary Education:</i>  University of Pennsylvania, Wharton School of Business—2000, MBA, Finance  University of Alabama—1996, MS, Accounting  Shanghai University of Finance and Economics—1989, Investment Management  <i>Recent Business Background:</i>  Acela Capital Management, Managing Member, 5/2010 – Present  Morgan Stanley Smith Barney, Financial Advisor, 2003 – 5/2010</p>
7A and 7B	As further discussed above in response to Item 1D (above), the Registrant may provide its clients with financial planning and/or consulting services (which may include non-investment related matters). Any financial planning services shall be included as part of the Registrant’s overall investment management fee. However, the Registrant may charge a separate fee for consulting services which shall be agreed upon prior to rendering the services.
7B	Certain of the Registrant’s <i>Advisory Affiliates</i> , in their individual capacities, are also licensed insurance agents with various insurance companies, and in such capacity, may recommend, on a fully-disclosed commission basis, the purchase of certain insurance products. While the Registrant does not sell such insurance products to its investment advisory clients, the Registrant does permit its <i>Advisory Affiliates</i> , in their individual capacities as licensed insurance agents, to sell insurance products to its investment advisory clients. A conflict of interest exists to the extent that the Registrant recommends the purchase of insurance products where the Registrant’s <i>Advisory Affiliates</i> receive insurance commissions or other additional compensation.
9E	<p>The Registrant and persons associated with the Registrant (“Associated Persons”) are permitted to buy or sell securities that it also recommends to clients consistent with the Registrant’s policies and procedures.</p> <p>The Registrant has adopted a code of ethics (“<i>Code of Ethics</i>”) made up of its personal securities transaction and insider trading policies and procedures. When the Registrant is purchasing or considering for purchase any security on behalf of a client, no <i>Covered Person</i> (as defined below) may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when the Registrant is selling or considering the sale of any security on behalf of a client, no <i>Covered Person</i> may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security.</p> <p>Unless specifically defined in the Registrant’s procedures (summarized above), neither the Registrant nor any of the Registrant’s Associated Persons may effect for himself or herself, for an Associated Person’s immediate family (i.e., spouse, minor children, and adults living in the same household as the Associated Person), or for trusts for which the Associated Person serves as a trustee or in which the Associated Person has a beneficial interest (collectively “<i>Covered Persons</i>”), any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of the Registrant’s clients.</p> <p>The foregoing policies and procedures are not applicable to (a) transactions effected in any account over which neither the Registrant nor any of its <i>Advisory Affiliates</i> (as defined in this Form ADV) has any direct or indirect influence or control; and (b) transactions in securities that are: direct obligations</p>
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	<p>of the government of the United States; bankers' acceptances, bank certificates of deposit, commercial paper, and high quality short-term debt instruments, including repurchase agreements; or shares issued by registered open-end investment companies.</p> <p>This policy has been established recognizing that some securities being considered for purchase and sale on behalf of the Registrant's clients trade in sufficiently broad markets to permit transactions by clients to be completed without any appreciable impact on the markets of such securities. Under certain limited circumstances, exceptions may be made to the policies stated above. The Registrant will maintain records of these trades, including the reasons for any exceptions.</p> <p>The Registrant also maintains and enforces written policies reasonably designed to prevent the unlawful use of material non-public information by the Registrant or any of its <i>Advisory Affiliates</i>. Clients and prospective clients may contact the Registrant to request a copy of its <i>Code of Ethics</i>.</p>
10	<p>The Registrant does not impose a minimum portfolio size or minimum annual fee. Certain <i>Independent Manager(s)</i> may, however, impose more restrictive account requirements and varying billing practices than the Registrant. In such instances, the Registrant may alter its corresponding account requirements and/or billing practices to accommodate those of the <i>Independent Manager(s)</i> or wrap fee program sponsor.</p>
11A	<p>For those clients to whom the Registrant provides investment management services, the Registrant monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. For those clients to whom the Registrant provides consulting services, reviews are conducted on an "as needed" basis. Such reviews are conducted by one of the Registrant's investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with the Registrant and to keep the Registrant informed of any changes thereto. The Registrant shall contact ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.</p>
11B	<p>Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts.</p>
12A, 12B and 13A	<p>Please see the previous responses set forth on this Schedule F to Items 1D.</p> <p>Except as provided for in any applicable wrap fee program, the brokerage commissions and/or transaction fees charged by <i>Fidelity</i> or any other designated broker-dealer are exclusive of and in addition to the Registrant's fee.</p> <p>Factors which the Registrant considers in recommending <i>Fidelity</i> or any other broker-dealer, to clients include their respective financial strength, reputation, execution, pricing, research, and service. <i>Fidelity</i> enables the Registrant to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by <i>Fidelity</i> may be higher or lower than those charged by other broker-dealers.</p> <p>The commissions paid by the Registrant's clients shall comply with the Registrant's duty to obtain "best execution." However, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where the Registrant determines, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while the Registrant will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions.</p> <p>If the client requests the Registrant to arrange for the execution of securities brokerage transactions for the client's account, the Registrant shall direct such transactions through broker-dealers that the Registrant reasonably believes will provide best execution. The Registrant shall periodically and systematically review its policies and procedures regarding recommending broker-dealers to its client in light of its duty to obtain best execution.</p> <p>The client may direct the Registrant in writing to use a particular broker-dealer to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that broker-dealer, and the Registrant will not seek better execution services or prices from other broker-dealers or be able to "batch" client transactions for execution through other broker-</p>

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	<p>dealers with orders for other accounts managed by the Registrant (as described below). As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, the Registrant may decline a client's request to direct brokerage if, in the Registrant's sole discretion, such directed brokerage arrangements would result in additional operational difficulties.</p> <p>Transactions for each client generally will be effected independently, unless the Registrant decides to purchase or sell the same securities for several clients at approximately the same time. The Registrant may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among the Registrant's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among the Registrant's clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that the Registrant determines to aggregate client orders for the purchase or sale of securities, including securities in which the Registrant's <i>Advisory Affiliate(s)</i> may invest, the Registrant shall generally do so in accordance with applicable rules promulgated under state law and regulations. The Registrant shall not receive any additional compensation or remuneration as a result of the aggregation. In the event that the Registrant determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a <i>de minimis</i> allocation in one or more accounts, the Registrant may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.</p> <p>Consistent with obtaining best execution, brokerage transactions may be directed to certain broker-dealers in return for investment research products and/or services which assist the Registrant in its investment decision-making process. Such research generally will be used to service all of the Registrant's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest.</p> <p>The Registrant may receive from <i>Fidelity</i>, without cost to the Registrant, computer software and related systems support, which allow the Registrant to better monitor client accounts maintained at <i>Fidelity</i>. The Registrant may receive the software and related support without cost because the Registrant renders investment management services to clients that maintain assets at <i>Fidelity</i>. The software and related systems support may benefit the Registrant, but not its clients directly. In fulfilling its duties to its clients, the Registrant endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the Registrant's receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence the Registrant's choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services.</p> <p>Additionally, the Registrant may receive the following benefits from <i>Fidelity</i> through the Fidelity Institutional Wealth Services Group: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its Institutional Wealth Services Group participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information.</p>
13B	If a client is introduced to the Registrant by either an unaffiliated or an affiliated solicitor, the
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	Registrant may pay that solicitor a referral fee in accordance with applicable state securities law requirements. Any such referral fee shall be paid solely from the Registrant’s investment management fee, and shall not result in any additional charge to the client. If the client is introduced to the Registrant by an unaffiliated solicitor, the solicitor shall provide the client with a copy of the Registrant’s written disclosure statement and a copy of the solicitor’s disclosure statement containing the terms and conditions of the solicitation arrangement, including compensation. Any affiliated solicitor of the Registrant shall disclose the nature of his/her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of the Registrant’s written disclosure statement at the time of the solicitation.
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