

Part 2A of Form ADV: *Firm Brochure*

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This brochure provides information about the qualifications and business practices of Kleossum, Inc. (hereinafter “Kleossum” or “firm” or “we”). If you have any questions about the contents of this brochure, please contact us at (877) 553-6778 or at dbrochu@kleossum.com. 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 Kleossum is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Kleossum is 154685. Registration with the Securities and Exchange Commission does not imply any level of skill or training.

Item 2. Summary of Material Changes

Our current (updated) Form ADV, Part 2 will be available to our existing and prospective clients 24 hours a day through the Investment Adviser Public Disclosure website. Additionally, we will annually and within 120 days of the end of our fiscal year, provide you either: (i) a copy of our Form ADV, Part 2 that includes or is accompanied by a summary of material changes; or (ii) a summary of material changes that includes an offer to provide a copy of the current Form ADV, Part 2. We urge you to carefully review all subsequent summaries of material changes, as they will contain important information about any significant changes to our advisory services, fee structure, business practices, conflicts of interest, and disciplinary history.

There are no material changes to this document since the most-recently published prior version dated March 7, 2011.

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Item 4. Advisory Business

Kleossum is a fee-only investment adviser with its principal place of business located in Conway, New Hampshire. We have been in business since 2010, with David Francis Brochu, President and Chief Compliance Officer, as the sole owner of the firm.

As of April 2012, the firm had \$37 discretionary assets under management in 100 accounts.

Portfolio Management Services

Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy statement ("IPS") or investment plan and create and manage a portfolio based on that policy or plan. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. We may also review and discuss a client's prior investment history, as well as family composition and background.

We will manage advisory accounts on a discretionary or non-discretionary basis, as agreed with each client. Account supervision is guided by the stated objectives of the client (i.e. preservation, conservative, moderate, moderately aggressive, or aggressive strategies), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Pension Consulting Services

We provide several consulting services separately or in combination. Clients may choose to use any or all of these services.

Investment Policy Statement ("IPS") Development or Review

We will meet with the client (in person and/or over the telephone) to determine or review the client's investment needs and goals. For clients needing an IPS, we will prepare a written IPS stating their needs and goals and encompassing a policy under which these goals are to be achieved. The IPS will also list the criteria for the selection of investment vehicles and the procedures and timing interval for monitoring investment performance.

Selection of Investment Vehicles and Independent Money Managers

We will review various investments, consisting primarily of mutual funds, service providers and strategies to determine which ones are appropriate to implement the client's IPS. The nature and selection of investments and service providers to be recommended will be determined by the client, based on the IPS.

Based on a client's individual circumstances and needs, we will determine which independent manager's portfolio is appropriate for that client. Factors we consider in making this determination include account size, risk tolerance, the opinion of each client

and the investment philosophy of the independent adviser. If we believe that a selected independent adviser is not performing adequately or if we believe that a different manager is more suitable for a client's particular needs, then we may suggest that a client contract with a different adviser. While we may assist the client in selecting a new adviser, any move to a new adviser is solely at the discretion of the client.

Monitoring of Investment Procedures and Performance

We will monitor client investments continuously based on the procedures and timing intervals delineated in the IPS. Although we will not be involved in any way in the purchase or sale of these investments, we will monitor the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate. The frequency of reviews will be determined by the client's needs and the IPS.

Employee Communications:

For pension, profit sharing and 401(k) plan clients in self-directed plans, we will provide periodic educational support and investment workshops designed for the plan participants. Topics to be discussed will be determined in conjunction with the plan sponsor and in accordance with guidelines established in ERISA Section 404(c). The educational support and investment workshops will not provide plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

Services in General

We tailor all of our investment recommendations and advice to the individual needs of each client. All investment recommendations and advice are based on information gathered through client questionnaires, electronic communications, telephone and in person discussions.

Our investment recommendations are not limited to any specific product or service offered by a broker dealer or insurance company and will primarily include advice regarding the following instruments:

- Equity securities
- Corporate debt securities
- Municipal securities

- No load or load waived mutual funds
- Exchange Traded Funds (ETFs)

Occasionally, we may also advise on or recommend investments in the following instruments:

- Warrants
- Certificates of deposit
- United States government securities
- Option contracts on securities

Item 5. Fees and Compensation

Portfolio Management Services

Our annual fees for Portfolio Management Services are based upon a percentage of assets under management, in accordance with the following fee schedule:

Assets Under Management Annual Fee (%)

Under \$500,000 1.50%
\$500,000 to \$1,000,000 1.00%
\$1,000,001 to \$3,000,000 0.75%
\$3,000,001 to \$5,000,000 0.50%
Above \$5,000,000 negotiable

Portfolio management fees are charged quarterly in arrears, based upon the net value of the assets in the client account on the last business day of the quarter, pro-rated for additions and withdrawals.

Pension Consulting Services

Our annual fees for Pension Consulting Services are based upon a percentage of assets under consultation/advisement, in accordance with the following fee schedule:

Assets Under Advisement Annual Fee (%)

Under \$500,000 1.50%
\$500,000 to \$1,000,000 1.00%
\$1,000,001 to \$3,000,000 0.75%
\$3,000,001 to \$5,000,000 0.50%
Above \$5,000,000 negotiable

Pension Consulting fees are charged quarterly in arrears, based upon the net value of the assets in the client account on the last business day of the quarter, pro-rated for additions and withdrawals.

Fees in General

Depending on the particular arrangement with each client, we will either invoice clients or directly debit their custodial accounts for portfolio management fees.

Fees and account minimums for all services are negotiable 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, negotiations with client, etc.).

Discounts, not generally available to our advisory clients, may be offered to family members and friends of Kleossum or its staff. We may group certain related client accounts for the purposes of determining the account size and/or annualized fee.

Certain legacy client agreements may be governed by fee schedules different from those listed above. Under no circumstances will we earn fees in excess of \$500 more than six months in advance of services rendered.

Account Termination

Clients will have a period of five (5) business days from the date of signing the agreement to unconditionally rescind the agreement and receive a full refund of all fees. Thereafter, the client may terminate the agreement by providing us with a written notice at our principal place of business. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

Mutual Fund and ETF Fees and Expenses:

All fees paid to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund or and ETF directly, without the services of our firm. In that case, the client would not receive the services provided by us which are designed, among other things, to assist the client in determining which mutual fund or funds or ETFs are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and ETFs and the fees charged by us to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Brokerage and Custodial Fees

In addition to advisory fees paid to our firm, clients will also be responsible for all transaction, brokerage, trade-away and custodial fees incurred as part of their account management. Please see Item 12 of this Brochure for important disclosures regarding our brokerage practices.

Item 6. Performance-Based Fees and Side-By-Side Management

We do not charge any fees based on a share of capital gains on, or capital appreciation of, the assets of a client.

Item 7. Types of Clients

Our firm generally provides advisory services to individuals, pension and profit sharing plans, trusts, estates or charitable organizations, corporations and other business entities.

We do not impose any minimum account size or minimum annual fee for Portfolio Management Services.

We require a minimum account size of \$1,000,000 of assets under consultation/advisement for clients wishing to receive Pension Consulting Services.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Generally, our investment decisions will be made by rigorous analysis, utilizing topdown

macroeconomic analysis; bottom-up specific investment analysis; technical trading analysis; and a proprietary tracking methodology identifying and monitoring key aspects of economic growth, developed by the principal advisor.

Additional analysis will be obtained by contract with a variety of outside independent research firms.

Fundamental analysis

We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical analysis

We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and to potentially predict future price movement.

Cyclical analysis

In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

Charting

In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict when how long the trend may last and when that trend might reverse.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Mutual fund and/or ETF analysis

We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in other funds in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the fund or ETF less suitable of the client's portfolio.

Risks for all forms of analysis

Our securities analysis method relies on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Our firm employs the following investment strategies to formulate and/or implement investment advice given to clients:

Long-term purchases

We purchase securities with the idea of holding them in the clients account for a year or longer. We may do this because we believe the securities to be currently undervalued. We may do this because we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that, by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client.

Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases

We purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase. A risk in a short-term purchase strategy is that, should the anticipated price swing not materialize, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Short sales

We borrow shares of a stock for your portfolio from someone who owns the

stock on a promise to replace the shares on a future date at a certain price. We then sell the shares we have borrowed. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling on based on our determination that the stock will go down in price after we have borrowed the shares. If the stock has gone down since we purchased the shares from the original owner, we keep the difference. One risk in selling short is that losses are theoretically unlimited; we are obligated to repurchase the stock no matter how much the price has climbed. In addition, even if we are correct in determining that the price of a stock will decline, we run the risk of incorrectly determining when the decline will take place. Short selling may not be appropriate in times of inflation, as prices may adjust upwards regardless of the value of the stock.

Option writing

We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires. A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We will use options to speculate on the possibility of a sharp price swing. We will also use options to “hedge” a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We use “covered calls”, in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

A risk of covered calls is that the option buyer does not have to exercise the option, so that if we want to sell the stock prior to the end of the option agreement, we have to buy the option back from the option buyer, for a possible loss.

We use a “spreading strategy”, in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors. A risk of spreading strategies is that the ability to fully profit from a price swing is limited.

Clients should understand that investing in any securities, including mutual funds, involves a risk of loss of both income and principal that a client should be prepared to bear.

Item 9. Disciplinary Information

In January of 2009, FINRA issued a letter of Acceptance, Waiver and Consent related to the respondent's activities as a registered representative of Strategic Point Securities, LLC. The AWC included findings that David Brochu had violated NASD Rules 2110 and 3010 in that he sold shares of a private placement offering pursuant to a private placement memorandum containing inaccurate financial projections. David Brochu worked on the private placement and supervised others who worked on the memorandum's financial projections.

The AWC found that David Brochu found the inaccuracies in the financial projections of the memorandum and wrongly determined that the inaccuracies were not material and did not disclose them to investors who purchased the offering. The AWC further finds that David Brochu continued to use the private placement memorandum containing the inaccurate projections to sell securities to additional investors.

The AWC also found that the David Brochu failed to establish, maintain and enforce reasonably designed supervisory systems and written procedures with respect to private securities transactions. In agreeing to the AWC the respondent was fined \$20,000 and suspended from association with any FINRA member in any capacity for 15 days from February 17, 2009 through March 9, 2009.

On February 4, 2009 David Brochu entered into a Consent Agreement with the State of Rhode Island on behalf of Strategic Point Investment Advisors, LLC whereby respondent agreed to certain findings. Respondent was president of Strategic Point and Progressive Financial Strategies, LLC. On or about March 4, 2004 Progressive Financial Strategies conducted a private placement offering of its own securities. Ninety-one investors purchased units in the offering totaling \$7.4 million. During September 2004 respondent discovered a "significant" computational error in the financial projections included in the private placement memorandum that all investors had relied on to make their investment decision. Respondent did not provide a corrected version of the financial statements that investors had relied upon to make their decision. The Rhode Island Securities Division took the position that this may have been a violation of Rhode Island's rules under its securities act.

As a result of the consent agreement David Brochu agreed to forego any distributions of profits from the private offering until such time as all investors had received their initial investment back. Strategic Point agreed to report to the Securities division at least annually all profits distribution made to shareholders and to submit audited financial statements to the division. Furthermore respondent agreed not to receive any compensation in excess of the aggregate total of the principles employment agreements and to forego any bonuses that would normally be allowed under his employment

agreement. Strategic Point and Progressive Financial Strategies agreed to pay \$50,000 for the cost of the Divisions investigation.

In summary; in March of 2004 David Brochu acting as president of Progressive Financial Strategies, and not in his capacity of investment advisor representative of Strategic Point Securities, undertook a private offering of Progressive Financial Strategies own securities.

In September of 2004 David Brochu in his capacity as president of Progressive Financial Strategies discovered a computational error that resulted in a 1.4% variance in the five year projections included in the offering memorandum used by investor to make their investing decision.

David Brochu alone determined the variance to be immaterial. Deciding to forgo the additional cost of updating the private placement memorandum Mr. Brochu continued to use the inaccurate financial projections.

On or about March of 2006 the Rhode Island Department of Business Regulations and the FINRA (formerly the NASD) begin concurrent examinations initiated by a letter from a disgruntled employee for matters unrelated to the private placement of Progressive Financial Strategies securities.

On January 3rd 2009 Mr. Brochu agreed to the conditions in the AWC detailed in this brochure. No other action or findings were made by FINRA.

On February 4, 2009 Mr. Brochu signed the Consent Agreement with the State of Rhode Island Division of Securities detailed in this brochure. No other actions or findings were made by the Division.

Item 10. Other Financial Industry Activities and Affiliations

Neither our firm nor our employees have any other financial industry affiliations or are engaged in any other financial industry activities.

Item 11. Code of Ethics, Participation in Client Transactions and Personal Trading

Code of Ethics Disclosure

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code provides for oversight, enforcement and recordkeeping provisions. A copy of our

Code of Ethics is available to our advisory clients and prospective clients upon request to David Brochu, President and Chief Compliance Officer, at the firm's principal office address.

Our firm or individuals associated with our firm may buy or sell securities identical to those recommended to or purchased for customers for their personal accounts. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client. This practice results in a potential conflict of interest, as we may have an incentive to manipulate, to the extent it is possible to do so, the timing of such purchases, to the extent possible, to obtain a better price or more favorable allocation in rare cases of limited availability.

To mitigate these potential conflicts of interest and ensure the fulfillment of our fiduciary responsibilities, we have established the following restrictions:

1. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No principal or employee of our firm may prefer his or her own interest to that of the advisory client;
2. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts;
3. We maintain a list of all securities holdings for our firm and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by our compliance staff;
4. In case of partial fills, client accounts will receive preference over employee accounts;
5. We emphasize the unrestricted right of the client to decline to implement any advice rendered, except in situations where our firm is granted discretionary authority;
6. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices; and
7. Any individual not in observance of the above may be subject to disciplinary action or termination.

Item 12. Brokerage Practices

We do not have any formal or informal soft-dollar arrangements and do not receive any soft-dollar benefits.

We do not request or accept the discretionary authority to determine the broker dealer to be used for client accounts. Clients must direct us as to the broker dealer to be used for all client securities transactions. In directing the use of a particular broker or dealer, it should be understood that we will not have authority to negotiate commissions among

various brokers, and best execution may not be achieved, resulting in higher transaction costs for clients. *Not all advisers require their clients to direct brokerage.*

Our firm participates in the institutional customer program offered by TD Ameritrade Institutional, a division of TD Ameritrade, Inc., member FINRA/SIPC (hereinafter, "TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Our firm receives some benefits from TD Ameritrade through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors. Some of the products and services made available by TD Ameritrade through the program may benefit our firm but may not benefit our client accounts directly. These products or services may assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by our firm or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade.

Clients should be aware, however, that the receipt of economic benefits by our firm or its staff in and of itself creates a potential conflict of interest and may indirectly influence our recommendation of TD Ameritrade for custody and brokerage services.

Nonetheless, we have reviewed the services of TD Ameritrade and recommend the services based on a number of factors. These factors include the professional services offered, commission rates, and the custodial platform provided to clients. While, based on our business model, we will not seek to exercise discretion to negotiate trades among various brokers on behalf of clients, we may, however, periodically attempt to negotiate lower commission rates for our clients with TD Ameritrade.

Trade Aggregation

As a matter of policy and practice, our firm does not generally block client trades and, therefore, implements client transactions separately for each account. Due to this practice, certain client trades may be executed before others, at a different price and/or commission rate. Additionally, our clients may not receive volume discounts available to advisers to block client trades.

However, we may decide to aggregate client trades when doing so is advantageous to our clients. Mostly, we will batch client transactions to receive volume discounts and to obtain better and more uniform pricing across client accounts. If we determine that aggregation of trades in a certain situation will be beneficial to our clients, transactions will be averaged as to price and will be allocated among our clients in proportion to the purchase and sale orders placed for each client account on any given day.

Item 13. Review of Accounts

Portfolio Management Services

David Brochu, President and Chief Compliance Officer, is responsible for all account reviews. He will continuously monitor the underlying securities in client accounts and perform at least quarterly reviews of account holdings for all clients. Accounts are reviewed for consistency with client investment strategy, asset allocation, risk tolerance and performance relative to the appropriate benchmark. More frequent reviews may be triggered by changes in an account holder's personal, tax or financial status. Significant domestic, geopolitical and macroeconomic events may also trigger reviews.

In addition to the monthly statements and confirmations of transactions that clients receive from their custodian and/or broker dealer, our firm will provide quarterly holdings and/or performance reports.

Pension Consulting Services

For these clients, we will review the client's IPS whenever the client indicates a change in circumstances regarding the needs of the plan. We will also review the investment options of the plan according to the agreed-upon time intervals established in the IPS. Such reviews will generally occur quarterly. In addition to the monthly statements and confirmations of transactions that clients receive from their custodian and/or broker dealer, our firm will provide quarterly holdings and/or performance reports.

Item 14. Client Referrals and Other Compensation

Other than that already described in this Brochure, our firm does not receive any additional compensation from third parties for providing investment advice to its clients and does not compensate anyone for client referrals.

Item 15. Custody

Custody is defined as any legal or actual ability by our firm to access client funds or securities. Since all client funds and securities are maintained with a qualified custodian, we don't take physical possession of client assets. However, under the current SEC rules, our firm is deemed to have constructive custody of client funds because we directly debit client fees from their custodial accounts. Therefore, we urge all of our management clients to carefully review and compare their reviews of account holdings and/or performance results received from us to those they receive from their custodian(s). Should you notice any discrepancies, please notify us and/or your custodian as soon as possible.

Item 16. Investment Discretion

For clients granting us discretionary authority to determine which securities and the amounts of securities that are to be bought or sold for their account(s), we request that such authority be granted in writing, typically in the executed investment management agreement.

Should the client wish to impose reasonable limitations on this discretionary authority, such limitations shall be included in this written authority statement. Clients may change/amend these limitations as desired. Such amendments must be submitted to us by the client in writing.

Item 17. Voting Client Securities

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. However, we may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

We will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

Item 18. Financial Information

Under no circumstances will we earn fees in excess of \$500 more than six months in advance of services rendered.

Part 2B of Form ADV: *Brochure Supplement*

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June 2012

This brochure supplement provides information about David Brochu that supplements the Kleossum, Inc. brochure. You should have received a copy of that brochure. Please contact Mr. Brochu, President and Chief Compliance Officer, if you did not receive our brochure or if you have any questions about the contents of this supplement.

Item 2. Educational Background and Business Experience

David F. Brochu

Year of Birth: 1963

Education:

Secondary education – none

Professional Designations:

Mr. Brochu earned the Certified Financial Planner (CFP) designation from the College of Financial Planning in 1995. The CFP designation is a professional certification mark for financial planners conferred by the Certified Financial Planner Board of Standards, Inc. (CFP Board) in the United States. To receive authorization to use the designation, the candidate must meet education, examination, experience and ethics requirements, and pay an ongoing certification fee. To fulfill the education requirement, students are required to complete course training in various topic areas and sit for the ten hour CFP Board Certification Examination. A bachelor's degree (or higher), or its equivalent in any discipline, from an accredited college or university is required to attain CFP certification.

Business Background:

President/Chief Compliance Officer, Kleossum, Inc. from 06/2010 to present

President, Strategic Point Insurance Services from 12/2002 to 07/2010

President and Investment Adviser Representative, Strategic Point Investment Advisors from 12/2002 to 07/2010

President and Registered Representative, Strategic Point Securities, LLC from 10/2002 to 07/2010

Licenses And Designations:

Series 7, General Securities Representative Examination, 1991

Series 24, General Securities Principal Examination, 1992

Series 27, Financial and Operations Principal Examination, 2003

Series 63, Uniform Securities Agent State Law Examination, 1991

Series 65, Uniform Investment Adviser Law Examination, 1997

Item 3. Disciplinary Information

In January of 2009, David Brochu became subject to a regulatory proceeding initiated by the Financial Industry Regulatory Authority (FINRA). FINRA alleged violations of certain NASD rules related to a private placement memorandum that contained inaccurate financial projections. FINRA further alleged that the inaccuracies were material and should have been disclosed to customers who purchased the private

placement securities. Mr. Brochu contested the materiality of the alleged inaccuracies. Without admitting or denying the findings, Mr. Brochu consented to the entry of findings, a monetary fine and suspension from association with any FINRA member for 15 business days.

In April of 2009, the state of Illinois commenced its own investigation and hearing regarding the above-described matter. As a result of the hearing, Mr. Brochu agreed not to participate either directly or indirectly in the sale of private placement securities to Illinois residents for one year and paid the state of Illinois \$1,000 for the cost of the investigation.

Item 4. Other Business Activities

Mr. Brochu has no outside business activities to report at this time.

Item 5. Additional Compensation

Mr. Brochu does not receive any additional compensation from third parties for providing investment advice to clients.

Item 6. Supervision

As the sole owner of Kleossum, David Brochu is responsible for all employee supervision and general business strategy of the firm, as well as formulation and monitoring of investment advice offered to client, documenting investment meeting deliberations, overseeing all material investment policy changes, and conducting periodic testing to ensure that client objectives and mandates are being met. As the Chief Compliance Officer, Mr. Brochu is responsible for monitoring and enforcing compliance with our policies and procedures, Code of Ethics, employee rules of conduct, and all relevant federal and state laws and regulations. Mr. Brochu can be reached at (877) 553-6778.