

ACCRULIM WEALTH MANAGEMENT, LLC

a Registered Investment Adviser

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This brochure provides information about the qualifications and business practices of Accrulum Wealth Management, LLC (hereinafter “Accrulum” or the “Firm”). If you have any questions about the contents of this brochure, please contact the Firm at this telephone number listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about the Firm is available on the SEC’s website at www.adviserinfo.sec.gov. The Firm is a registered investment adviser. Registration does not imply any level of skill or training.

Item 2. Material Changes

In this Item, Accrulim is required to discuss any material changes that have been made to the brochure since the last annual amendment. As this brochure has been prepared in connection with the Firm's initial application for investment adviser registration, there are no such material changes to disclose.

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Item 4. Advisory Business

Accrulim offers a variety of advisory services to entrepreneurs that have built, sold or are running a business. Accrulim provides investment consulting and investment management services. Prior to Accrulim rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with Accrulim setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

Accrulim was registered as an investment adviser in May 2015 and is owned by Interim Holdings, LLC. As of the date of this filing, Accrulim does not have any assets under management; however, the Firm reasonably expects to be eligible for registration with the SEC within 120 days of approval as an investment adviser.

While this brochure generally describes the business of Accrulim, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on Accrulim’s behalf and is subject to the Firm’s supervision or control.

Investment Consulting Services

Accrulim offers clients a broad range of investment consulting services, which may include any or all of the following functions:

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| • Business Planning | • Retirement Planning |
| • Cash Flow Forecasting | • Risk Management |
| • Trust and Estate Planning | • Charitable Giving |
| • Financial Reporting | • Distribution Planning |
| • Investment Consulting | • Tax Planning |
| • Insurance Planning | • Manager Due Diligence |

While each of these services is available on a stand-alone basis, certain of them may also be rendered in conjunction with investment portfolio management as part of a comprehensive wealth management engagement (described in more detail below).

In performing these services, Accrulim is not required to verify any information received from the client or from the client’s other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information. Accrulim may recommend clients engage the Firm for additional related services, its Supervised Persons in their individual capacities as insurance agents or registered representatives of a broker-dealer and/or other professionals to implement its recommendations. Clients

are advised that a conflict of interest exists if clients engage Accrulim or its affiliates to provide additional services for compensation. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by Accrulim under a investment consulting engagement. Clients are advised that it remains their responsibility to promptly notify the Firm of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Accrulim's recommendations and/or services.

Investment and Wealth Management Services

Accrulim manages client investment portfolios on a discretionary or non-discretionary basis. In addition, Accrulim may provide clients with wealth management services which includes a broad range of comprehensive investment consulting services as well as discretionary and/or non-discretionary management of investment portfolios.

Accrulim primarily allocates client assets among various individual debt and equity securities, options, privately placed securities (which may include debt, equity and/or interests in pooled investment vehicles) and independent investment managers ("Independent Managers") in accordance with their stated investment objectives.

Where appropriate, the Firm may also provide advice about any type of legacy position or other investment held in client portfolios. Clients may engage Accrulim to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, Accrulim directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product's provider.

Accrulim tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. Accrulim consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify Accrulim if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of their accounts if Accrulim determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts.

Use of Independent Managers

As mentioned above, Accrulum may select certain Independent Managers to actively manage a portion of its clients' assets. The specific terms and conditions under which a client engages an Independent Manager may be set forth in a separate written agreement with the designated Independent Manager. In addition to this brochure, clients may also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets.

Accrulum evaluates a variety of information about Independent Managers, which may include the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves and other third-party analyses it believes are reputable. To the extent possible, the Firm seeks to assess the Independent Managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposure. Accrulum also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors.

Accrulum continues to provide services relative to the discretionary or non-discretionary selection of the Independent Managers. On an ongoing basis, the Firm monitors the performance of those accounts being managed by Independent Managers. Accrulum seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

Item 5. Fees and Compensation

Accrulum offers services on a fee basis, which may include fixed and/or hourly fees, as well as fees based upon assets under management or advisement. Additionally, certain of the Firm's Supervised Persons, in their individual capacities, may offer securities brokerage services and/or insurance products under a separate commission-based arrangement.

Investment Consulting Fees

Accrulum generally charges a fixed fee for providing financial planning and consulting services under a stand-alone engagement. These fees are negotiable, but generally range from \$5,000 to \$100,000, depending upon the scope and complexity of the services and the professional rendering the consulting services. If the client engages the Firm for additional investment advisory services, Accrulum may offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services.

The terms and conditions of the financial planning and/or consulting engagement are set forth in the Advisory Agreement and Accrulim generally requires one-half of the fee (estimated hourly or fixed) payable upon execution of the Advisory Agreement. The outstanding balance is generally due upon delivery of the financial plan or completion of the agreed upon services. The Firm does not, however, take receipt of \$1,200 or more in prepaid fees in excess of six months in advance of services rendered.

Investment Management Fees

Accrulim offers investment management services for an annual fee based on the amount of assets under the Firm's management. This management fee generally varies between 50 and 200 basis points (0.50% – 2.00%), depending upon the size and composition of a client's portfolio and the type of services rendered. The annual fee is prorated and charged quarterly, in advance, based upon the market value of the average daily account balance.

Since the asset-based fee is determined by average daily account balance, if assets are deposited into or withdrawn from an account after the inception of a quarter, the base fee payable with respect to such assets is adjusted accordingly. For the initial period of an engagement, the fee is calculated on a *pro rata* basis. In the event the advisory agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

Additionally, for asset management services the Firm provides with respect to certain client holdings (e.g., held-away assets, accommodation accounts, alternative investments, etc.), Accrulim may negotiate a fee rate that differs from the range set forth above.

Performance-Based Fees

Accrulim may also offer investment management services to certain qualified clients for a performance-based fee in accordance with applicable laws, rules and regulations. Under this arrangement, the Firm charges a fee based upon the performance of a client account in addition to an annual fee based upon assets under management.

The performance fee will be up to 20% of the annual net gains achieved in a client's account, subject to a perpetual high water mark. The performance fee is charged annually in arrears, based upon the net portfolio gains achieved on a calendar year basis. The annual asset-based fee of 0 to 100 basis points (0% – 1.00%) is prorated and charged with the same terms as the non-performance-based fees described above.

Payment Through Shares of Company

Because Accrulum works almost exclusively with entrepreneurs, the Firm anticipates providing its advisory services for a fee that may include shares of a client's company. This fee will be highly speculative and will be based upon the valuation of the company at the time of the engagement. It is possible that, over time, the value of the company will increase substantially resulting in a higher fee for the Firm. It is also possible, however, that the value will decrease, possibly to no value. The Firm will not advise clients on the advisability of this arrangement, nor will the Firm value the clients company. Clients should seek counsel or other advice with regard to the advisability of this type of engagement.

Furthermore, because the Firm will benefit from the success of such companies, it is a conflict of interest where the Firm recommends the purchase or sale of any security where it has a relationship like that mentioned above. Accrulum will only recommend the purchase or sale of such a security to other clients where the Firm is not in possession of inside information and where it is in the best interest of those clients.

Fee Discretion

Accrulum may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities.

Additional Fees and Expenses

In addition to the advisory fees paid to Accrulum, clients may also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges may include securities brokerage commissions, transaction fees, custodial fees, fees attributable to alternative assets, fees charged by the Independent Managers, margin costs, charges imposed directly by a mutual fund or ETF in a client's account, as 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. The Firm's brokerage practices are described at length in Item 12, below.

Direct Fee Debit

Clients generally provide Accrulum and/or certain Independent Managers with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the

qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to Accrulim.

Use of Margin

Accrulim may be authorized to use margin in the management of the client's investment portfolio. In these cases the fee payable will be assessed gross of margin such that the market value of the client's account and corresponding fee payable by the client to Accrulim will be increased.

Account Additions and Withdrawals

Clients may make additions to and withdrawals from their account at any time, subject to Accrulim's right to terminate an account. Additions may be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or declines to accept particular securities into a client's account. Clients may withdraw account assets on notice to Accrulim, subject to the usual and customary securities settlement procedures. However, the Firm generally designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. Accrulim may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

Commissions and Sales Charges for Recommendations of Securities

Clients can engage certain persons associated with Accrulim (but not the Firm directly) to render securities brokerage services under a separate commission-based arrangement. Clients are under no obligation to engage such persons and may choose brokers or agents not affiliated with Accrulim.

Under this arrangement, the Firm's Supervised Persons, in their individual capacities as registered representatives of an independent broker-dealer ("IBD"), may provide securities brokerage services and implement securities transactions under a separate commission based arrangement. Supervised Persons may be entitled to a portion of the brokerage commissions paid to IBD, as well as a share of any ongoing distribution or service (trail) fees from the sale of mutual funds. Accrulim may also recommend no-load or load-waived funds, where no sales charges are assessed. Prior to effecting any transactions, clients are required to enter into a separate account agreement with IBD.

A conflict of interest exists to the extent that Accrulim recommends the purchase or sale of securities where its Supervised Persons receive commissions or other additional compensation as a result of the

Firm's recommendation. The Firm has procedures in place to ensure that any recommendations made by such Supervised Persons are in the best interest of clients. For certain accounts covered by the Employee Retirement Income Security Act of 1974 ("ERISA") and such others that Accrulum, in its sole discretion, deems appropriate, Accrulum may provide its investment advisory services on a fee-offset basis. In this scenario, Accrulum may offset its fees by an amount equal to the aggregate commissions and 12b-1 fees earned by the Firm's Supervised Persons in their individual capacities as registered representatives of IBD.

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

As stated in Item 4, Accrulum may provide advisory services to qualified clients for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets). Although Accrulum believes that this fee arrangement best aligns the interests of the Firm and its clients, it may raises conflicts of interest. The performance fee may be an incentive for the Firm to make or recommend investments that are riskier or more speculative than would be the case absent a performance fee arrangement. In addition, where Accrulum charges performance-based fees and also provides similar services to accounts not being charged performance-based fees, there is an incentive to favor accounts paying a performance-based fee. Accrulum has procedures in place to ensure that any decisions are made are in the best interest of clients regardless of the applicable fee structure.

Item 7. Types of Clients

Accrulum offers services to individuals, trusts, estates, charitable organizations, corporations and business entities.

Minimum Account Value

As a condition for starting and maintaining an investment management relationship, Accrulum generally imposes a minimum portfolio value of \$5,000,000. Accrulum may, in its sole discretion, accept clients with smaller portfolios based upon certain criteria, including anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, and pro bono activities. Accrulum only accepts clients with less than the minimum portfolio size if the Firm determines the smaller portfolio size will not cause a substantial increase of investment risk beyond the client's identified risk tolerance. Accrulum may aggregate the portfolios of family members to meet the minimum portfolio size.

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

Investment Strategies and Methods of Analysis

Accrulim manages client assets on a discretionary or non-discretionary basis. Accrulim tailors its advisory services to the individual needs of clients. Accrulim consults with clients initially and on an ongoing basis to develop an investment strategy which determines risk tolerance, time horizon and other factors that may impact the clients' investment needs. Accrulim ensures that clients' investments are suitable for their investment needs, goals, objectives and risk tolerance.

Accrulim utilizes a combination of fundamental and quantitative analysis. Fundamental analysis involves an evaluation of the fundamental financial condition and competitive position of a particular fund or issuer. For Accrulim, this process typically involves an analysis of an issuer's management team, investment strategies, style drift, past performance, reputation and financial strength in relation to the asset class concentrations and risk exposures of the Firm's model asset allocations. A substantial risk in relying upon fundamental analysis is that while the overall health and position of a company may be good, evolving market conditions may negatively impact the security. Quantitative analysis involves the use of mathematical and statistical analysis to determine the proper price of a security.

Risk of Loss

Market Risks

Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of Accrulim's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. There can be no assurance that Accrulim will be able to predict those price movements accurately or capitalize on any such assumptions.

Mutual Funds and ETFs

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

Use of Independent Managers

As stated above, Accrulum may select certain Independent Managers to manage a portion of its clients' assets. In these situations, Accrulum continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, Accrulum generally may not have the ability to supervise the Independent Managers on a day-to-day basis.

Use of Private Collective Investment Vehicles

Accrulum recommends that certain clients invest in privately placed collective investment vehicles (e.g., hedge funds, private equity funds, etc.). The managers of these vehicles have broad discretion in selecting the investments. There are few limitations on the types of securities or other financial instruments which may be traded and no requirement to diversify. Hedge funds may trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because the vehicles are not registered as investment companies, there is an absence of regulation. There are numerous other risks in investing in these securities. Clients should consult each fund's private placement memorandum and/or other documents explaining such risks prior to investing.

Options

Options allow investors to buy or sell a security at a contracted "strike" price at or within a specific period of time. Clients may pay or collect a premium for buying or selling an option. Investors transact in

options to either hedge (i.e., limit) losses in an attempt to reduce risk or to speculate on the performance of the underlying securities. Options transactions contain a number of inherent risks, including the partial or total loss of principal in the event that the value of the underlying security or index does not increase/decrease to the level of the respective strike price. Holders of options contracts are also subject to default by the option writer which may be unwilling or unable to perform its contractual obligations.

Use of Margin

While the use of margin borrowing can substantially improve returns, it may also increase overall portfolio risk. Margin transactions are generally effected using capital borrowed from a Financial Institution, which is secured by a client's holdings. Under certain circumstances, a lending Financial Institution may demand an increase in the underlying collateral. If the client is unable to provide the additional collateral, the Financial Institution may liquidate account assets to satisfy the client's outstanding obligations, which could have extremely adverse consequences. In addition, fluctuations in the amount of a client's borrowings and the corresponding interest rates may have a significant effect on the profitability and stability of a client's portfolio.

Item 9. Disciplinary Information

Accrulum has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management.

Item 10. Other Financial Industry Activities and Affiliations

This item requires investment advisers to disclose certain financial industry activities and affiliations. The Firm does not have any other financial industry activities or affiliations that need to be disclosed.

Registered Representatives of a Broker/Dealer

Certain of the Firm's Supervised Persons are registered representatives of IBD and may provide clients with securities brokerage services under a separate commission-based arrangement. This arrangement is described at length in Item 5.

In addition to such standard securities brokerage services, Accrulum's Supervised Persons may provide other sophisticated offerings to clients through the IBD relationship. This will include Administrative Services, in which the IBD will provide Escrow Administrative Services and Venture Services to entrepreneurs. Under the Escrow Administrative Services, IBD will act as escrow agent for shares of

stock and cash in furtherance of a corporate transaction. The Venture Services will include the sale or distribution of shares of stock after an initial public offering lock-up period has ended.

Licensed Insurance Agents

A number of the Firm's Supervised Persons are licensed insurance agents and may offer certain insurance products on a fully-disclosed commissionable basis. A conflict of interest exists to the extent that Accrulum recommends the purchase of insurance products where its Supervised Persons may be entitled to insurance commissions or other additional compensation. The Firm has procedures in place whereby it seeks to ensure that all recommendations are made in its clients' best interest regardless of any such affiliations.

Relationship with Dynasty Financial Partners, LLC

Accrulum maintains a business relationship with Dynasty Financial Partners, LLC ("Dynasty"), which provides the Firm with operational and back office support including access to a network of service providers. Through the Dynasty network of service providers, Accrulum has access to trading technology, transition support, reporting, custody, brokerage, investments, compliance and other related services. The Firm may also engage and/or recommend Dynasty's subsidiary, Dynasty Wealth Management LLC, a registered investment adviser, to clients for certain outsourced investment services, such as separate account management, asset allocation strategies and externally managed investment programs. While Accrulum believes this open architecture structure for both operational and investment services best serves the interests of its advisory clients, this relationship may potentially present certain conflicts of interest due to the fact that Dynasty retains a portion of the platform or other third party fees paid by the Firm or clients for the services referenced above. In light of the foregoing, Accrulum seeks at all times to ensure that any material conflicts are addressed on a fully-disclosed basis and handled in a manner that is aligned with its clients' best interests. Accrulum does not receive any portion of the fees paid directly to Dynasty, its affiliates or the service providers made available through Dynasty's platform. In addition, the Firm reviews all such relationships, including the service providers engaged through Dynasty, on an ongoing basis in an effort to ensure clients are receiving competitive rates in relation to the quality and scope of the services provided.

Item 11. Code of Ethics

Accrulum has adopted a code of ethics in compliance with applicable securities laws ("Code of Ethics") that sets forth the standards of conduct expected of its Supervised Persons. Accrulum's Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices such as the use of

material non-public information by the Firm or any of its Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain of Accrulum's personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (*e.g.*, initial public offerings, limited offerings). However, the Firm's Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with the Firm's policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated below.

When the Firm is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person will access to this information may knowingly effect for themselves or for their immediate family (*i.e.*, spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Supervised Person is completed as part of a batch trade with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact Accrulum to request a copy of its Code of Ethics.

Item 12. Brokerage Practices

Recommendation of Broker/Dealers for Client Transactions

Accrulum generally recommends that clients utilize the custody, brokerage and clearing services of Fidelity Institutional Wealth Services ("Fidelity") and Pershing Advisor Solutions ("Pershing") for investment management accounts.

Factors which Accrulim considers in recommending Fidelity and Pershing or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. Fidelity and Pershing may enable the Firm to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by Fidelity and Pershing may be higher or lower than those charged by other Financial Institutions.

The commissions paid by Accrulim's clients to Fidelity and Pershing comply with the Firm's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where Accrulim determines that the commissions are 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 Financial Institution's services, including among others, the value of research provided, execution capability, commission rates and responsiveness. Accrulim seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Transactions may be cleared through other broker-dealers with whom the Firm and its custodians have entered into agreements for prime brokerage clearing services. Should an account make use of prime brokerage, the Client may be required to sign an additional agreement, and additional fees are likely to be charged.

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 Accrulim in its investment decision-making process. Such research generally will be used to service all of the Firm'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 because Accrulim does not have to produce or pay for the products or services.

Accrulim periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

Software and Support Provided by Financial Institutions

Accrulim may receive without cost from Fidelity and Pershing computer software and related systems support, which allow Accrulim to better monitor client accounts maintained at Fidelity and Pershing. Accrulim may receive the software and related support without cost because the Firm renders investment management services to clients that maintain assets at Fidelity and Pershing. The software and support is not provided in connection with securities transactions of clients (i.e., not "soft dollars"). The software and related systems support may benefit Accrulim, but not its clients directly. In fulfilling its duties to its clients, Accrulim endeavors at all times to put the interests of its clients first. Clients should be aware,

however, that Accrulum's receipt of economic benefits from a broker/dealer creates a conflict of interest since these benefits may influence the Firm's choice of broker/dealer over another that does not furnish similar software, systems support or services.

Specifically, Accrulum may receive the following benefits from Fidelity and Pershing:

- Up to \$100,000 in credits to be used toward qualifying third-party service providers used in connection with the initial set up of the Firm's research, technology and software platforms;
- Receipt of duplicate client confirmations and bundled duplicate statements;
- Access to a trading desk that exclusively services its institutional traders;
- 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.

Brokerage for Client Referrals

Accrulum does not consider, in selecting or recommending broker/dealers, whether the Firm receives client referrals from the Financial Institutions or other third party.

Directed Brokerage

The client may direct Accrulum in writing to use a particular Financial Institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution and the Firm will not seek better execution services or prices from other Financial Institutions or be able to "batch" client transactions for execution through other Financial Institutions with orders for other accounts managed by Accrulum (as described above). As a result, the client may pay higher commissions or other transaction costs, greater spreads or may receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, Accrulum may decline a client's request to direct brokerage if, in the Firm's sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).

Commissions or Sales Charges for Recommendations of Securities

As discussed above, certain Supervised Persons in their respective individual capacities are registered representatives of IBD. These Supervised Persons are subject to FINRA Rule 3040 which restricts registered representatives from conducting securities transactions away from their broker-dealer unless

IBD provides written consent. Therefore, clients are advised that certain Supervised Persons may be restricted to conducting securities transactions through IBD if they have not secured written consent from IBD to execute securities transactions through a different broker-dealer. Absent such written consent or separation from IBD, these Supervised Persons are prohibited from executing securities transactions through any broker-dealer other than IBD under its internal supervisory policies. The Firm is cognizant of its duty to obtain best execution and has implemented policies and procedures reasonably designed in such pursuit.

Trade Aggregation

Transactions for each client generally will be effected independently, unless Accrulum decides to purchase or sell the same securities for several clients at approximately the same time. Accrulum 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 Firm’s clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among Accrulum’s clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that the Firm determines to aggregate client orders for the purchase or sale of securities, including securities in which Accrulum’s Supervised Persons may invest, the Firm generally does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. Accrulum does not receive any additional compensation or remuneration as a result of the aggregation.

In the event that the Firm 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 de minimis allocation in one or more accounts, the Firm 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.

Item 13. Review of Accounts

Account Reviews

Accrulim monitors client portfolios on a continuous and ongoing basis while regular account reviews are conducted on at least a monthly basis. Such reviews are conducted by the Firm's investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals and objectives with Accrulim and to keep the Firm informed of any changes thereto. The Firm contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and quarterly to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

Account Statements and Reports

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time-to-time or as otherwise requested, clients may also receive written or electronic reports from Accrulim and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from Accrulim or an outside service provider.

Item 14. Client Referrals and Other Compensation

The Firm does not currently provide compensation to any third-party solicitors for client referrals. Accrulim may receive compensation for services provided to clients in a number of ways described in this Brochure. This includes the activities of the Supervised Persons in their capacity as registered representatives of IBD described herein.

Item 15. Custody

The Advisory Agreement and/or the separate agreement with any Financial Institution generally authorize Accrulim and/or the Independent Managers to debit client accounts for payment of the Firm's fees and to directly remit that those funds to the Firm in accordance with applicable custody rules. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the

authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to Accrulum.

In addition, as discussed in Item 13, Accrulum may also send periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from Accrulum.

Item 16. Investment Discretion

Accrulum may be given the authority to exercise discretion on behalf of clients. Accrulum is considered to exercise investment discretion over a client's account if it can effect and/or direct transactions in client accounts without first seeking their consent. Accrulum is given this authority through a power-of-attorney included in the agreement between Accrulum and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). Accrulum takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made; and
- The Independent Managers to be hired or fired.

Item 17. Voting Client Securities

Accrulum may accept the authority to vote a client's securities (i.e., proxies) on their behalf. When Accrulum accepts such responsibility, it will only cast proxy votes in a manner consistent with the best interest of its clients. Absent special circumstances, which are fully-described in the Firm's Proxy Voting Policies and Procedures, all proxies will be voted consistent with guidelines established and described in Accrulum's Proxy Voting Policies and Procedures, as they may be amended from time-to-time. Clients may contact Accrulum to request information about how the Firm voted proxies for that client's securities or to get a copy of Accrulum's Proxy Voting Policies and Procedures. A brief summary of Accrulum's Proxy Voting Policies and Procedures is as follows:

- Accrulum has formed a Proxy Voting Committee that will be responsible for monitoring corporate actions, making voting decisions in the best interest of clients, and ensuring that proxies are submitted in a timely manner.

- The Proxy Voting Committee will generally vote proxies according to Accrulum's then current Proxy Voting Guidelines. The Proxy Voting Guidelines include many specific examples of voting decisions for the types of proposals that are most frequently presented, including: composition of the board of directors; approval of independent auditors; management and director compensation; anti-takeover mechanisms and related issues; changes to capital structure; corporate and social policy issues; and issues involving mutual funds.
- Although the Proxy Voting Guidelines are followed as a general policy, certain issues are considered on a case-by-case basis based on the relevant facts and circumstances. Since corporate governance issues are diverse and continually evolving, the Firm devotes an appropriate amount of time and resources to monitor these changes.
- Clients cannot direct Accrulum's vote on a particular solicitation but can revoke the Firm's authority to vote proxies.

In situations where there may be a conflict of interest in the voting of proxies due to business or personal relationships that Accrulum maintains with persons having an interest in the outcome of certain votes, the Firm takes appropriate steps to ensure that its proxy voting decisions are made in the best interest of its clients and are not the product of such conflict.

Item 18. Financial Information

Accrulum is not required to disclose any financial information due to the following:

- The Firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered;
- The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.