

**Schedule F of  
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:  
**Laurus Investment Management, LLC**

SEC File Number:

801-

Date:  
06/19/2007

(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: <b>Laurus Investment management, LLC</b>		IRS Empl. Ident. No.:
Item of Form (identify)	Answer	

Item 1D	<p><b>SERVICES</b></p> <p>LAURUS INVESTMENT MANAGEMENT, LLC (hereinafter "LIM"), offers the following services primarily to individuals, pension and profit sharing plans, trusts, estates or charitable organizations and corporations or other business entities.</p> <p><b>PORTFOLIO MANAGEMENT SERVICES</b> LIM provides Investment Supervisory Services, defined as giving continuous advice to a client or making investments for a client 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, LIM develops a client's personal investment policy and creates and manages a portfolio based on that policy. LIM will manage advisory accounts on a discretionary basis. Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income). LIM will create a portfolio consisting of one or all of the following: individual equities, bonds, other investment products, and no-load, load-waived, and front-load mutual funds. LIM will allocate the client's assets among various investments taking into consideration the overall management style selected by the client. The mutual funds will be selected on the basis of any or all of the following criteria: the fund's performance history; the industry sector in which the fund invests; the track record of the fund's manager; the fund's investment objectives; the fund's management style and philosophy; and the fund's management fee structure. Portfolio weighting between funds and market sectors will be determined by each client's individual needs and circumstances. Clients will have the opportunity to place reasonable restrictions on the types of investments which will be made on the client's behalf. Clients will retain individual ownership of all securities. When appropriate to the needs of the client, LIM may recommend the use of trading (securities sold within 30 days), and/or option writing. Because these investment strategies involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated tolerance for risk. However, LIM emphasizes that its primary strategy is long-term in nature. For California Residents: Subsection (j) of Rule 260.238, California Code of Regulations requires that all investment advisers disclose to their advisory clients that lower fees for comparable services may be available from other sources.</p> <p><b>NON-DISCRETIONARY ADVISORY SERVICES (RESOURCE ACCOUNT)</b> LIM provides Investment Advisory Services for clients who choose to invest their own portfolios (self-directed). LIM will not direct the investment and reinvestment of the assets and therefore LIM, or any of its representatives, will not exercise discretionary authority in these accounts. LIM will provide, upon request, available research and reports to assist clients in making their investment decisions. When solicited for advice, LIM will make</p>
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Item 1D	<p>recommendations for a client based on the individual needs of the client. This can be accomplished through personal discussions in which goals and objectives based on a client's particular circumstances are established. When appropriate to the needs of the client, LIM may recommend the use of trading (securities sold within 30 days), and/or option writing. Because these investment strategies involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated tolerance for risk. For California Residents: Subsection (j) of Rule 260.238, California Code of Regulations requires that all investment advisers disclose to their advisory clients that lower fees for comparable services may be available from other sources.</p> <p><b>FEE SCHEDULE DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES:</b> The annual fee for portfolio management services will be charged as a percentage of assets under management, according to the following schedule: <b>&lt;\$1,000,000 Relationship Assets*</b>Assets under management Annual Fee (%) Under \$1,000,000 1.25% <b>&gt;\$1,000,000 Relationship Assets**</b>Assets under management Annual Fee (%) First \$3,000,000 1.0% Assets over \$3,000,000 0.5% * Under \$1,000,000 - Immediate family members will have their accounts combined for fee purposes. This includes parents, grandparents, siblings and in-laws. ** Over \$1,000,000 -Immediate and extended family members will have their accounts combined for fee purposes. In addition to the immediate relatives listed above, aunts, uncles, cousins, etc., are included. Clients will be invoiced in advance at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value, plus any credit balance or minus any debit balance), of the client's account at the end of the previous quarter.</p> <p><b>NON-DISCRETIONARY PORTFOLIO ADVISORY SERVICES:</b> The annual fee for portfolio management services will be 0.5% of assets. Fees do not include any broker/dealer commissions. Clients will be invoiced in advance at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value, plus any credit balance or minus any debit balance), of the client's account at the end of the previous quarter.</p> <p><b>DIRECT DEBITING OF CLIENT ACCOUNTS:</b> Advisory fees may be directly debited from a client account (without LIM being deemed to have 'custody') if the following conditions are met: 1) The client provides written authorization permitting the adviser's fees to be paid directly from the client's account held by an independent custodian. 2) The custodian agrees to send to the client a statement, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to the adviser. Also, if requested, fees may be billed directly to client.</p>
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Item 1D	<b>GENERAL INFORMATION ON FEES:</b> LIM does not impose a minimum dollar value of assets to be managed, nor does LIM charge a minimum annual fee. The fee charged is calculated as described above and is not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client (Section 205(a)(1) of the Advisers Act). A client agreement may be canceled at any time, by either party, for any reason upon receipt of written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement. All fees paid to LIM for investment advisory services (discretionary and nondiscretionary) are separate and distinct from the fees and expenses charged by mutual funds 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. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without the services of LIM. In that case, the client would not receive the services provided by LIM which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by LIM to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.
Item 3K(3)	<b>TYPES OF INVESTMENTS</b> Investment advice may be offered on any investments held by a client at the start of the advisory relationship. Recommendations for new investments will typically be limited to those items checked under Item 3 of Form ADV, Part II.
Item 5	<b>EDUCATION AND BUSINESS STANDARDS</b> Advisory persons associated with LIM must possess, minimally, a college degree and/or appropriate business experience and all required state licenses.
Item 6	<b>EDUCATION AND BUSINESS BACKGROUND</b>  <b>CHRISTOPHER MATTHEW CARTER, CFA BORN: 1974 EDUCATION:</b> Graduated from University of Southern California in 1996 with a BS in Business Administration, Finance emphasis.  <b>EMPLOYMENT HISTORY:</b> Principal, investment adviser representative, Laurus Investment Management, from 03/02 to Present. Establishing new business, 01/02 to 01/02. Senior investment planning analyst and registered representative, Bernstein Investment Management (f/k/a Sanford C. Bernstein & Co., LLC), from 09/97 to 01/02. Associate Financial Consultant, Merrill Lynch, from 06/96 to 09/97.

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Item 6	<p><b>DAVID WILLIAM JACOBS, CFA BORN: 1975 EDUCATION:</b> Graduated, Cornell University in 1997 with a B.S. in Hotel Administration, Financial Management concentration.</p> <p><b>EMPLOYMENT HISTORY:</b> Principal, investment adviser representative, Laurus Investment Management, from 03/02 to Present. Senior associate and registered representative, Bernstein Investment Management (f/k/a Sanford C. Bernstein &amp; Co., LLC), from 09/97 to 03/02.</p> <p><b>ANDREA H. LLOVERA BORN: 1983 EDUCATION:</b> Graduated, University of California - Santa Barbara in 2006 with B.A. in Business Economics and Accounting.</p> <p><b>EMPLOYMENT HISTORY:</b></p> <p>Associate, investment advisor representative, Laurus Investment Management, from 05/07 to Present.</p> <p>Financial Advisor, Axa Advisors, from 10/06 to 4/07.</p>
Item 9E & Miscellaneous	<p><b>PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS</b> LIM or individuals associated with LIM may buy or sell securities identical to or different than those recommended to 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. It is the expressed policy of LIM that no person employed by LIM 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. As these situations represent a conflict of interest, LIM has established the following restrictions in order to ensure its fiduciary responsibilities:</p> <p>1) A member or employee of LIM shall not 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 person of LIM shall prefer his or her own interest to that of the advisory client. 2) LIM maintains a list of all securities holdings for itself, and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by Christopher Carter, Principal of LIM. 3) LIM requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. 4) Any individual not in observance of the above may be subject to termination. Further information on LIM's policy on personal securities transactions can be found in LIM's Code of Ethics, which is available on request.</p>

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Item 10	<b>CONDITIONS FOR MANAGING ACCOUNTS</b> As part of our investment management, LIM manages two individual stock portfolios, Laurus Growth and Laurus Value. In order for LIM to employ either strategy, clients must have at least \$50,000 available to be invested in either strategy.
Item 11A	<b>REVIEWS AND REVIEWERS OF ACCOUNTS DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES:</b> While the underlying securities within Discretionary Portfolio Management Services accounts are continuously monitored, these accounts are reviewed at least monthly by Christopher Carter and/or David Jacobs, Principals of LIM. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.  <b>NON-DISCRETIONARY PORTFOLIO ADVISORY SERVICES:</b> The underlying securities within Non-Discretionary Portfolio Management Services accounts are not monitored or reviewed by LIM or any of its representatives.
Item 11B	<b>REGULAR REPORTS PROVIDED TO CLIENTS DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES:</b> In addition to the monthly statements and confirmations of transactions that Discretionary Portfolio Management Services clients receive from their broker dealer, LIM will provide detailed quarterly account performance reports. Members of LIM will also meet, either face to face or via telephone, with Discretionary Portfolio Management Services clients at least semi-annually.  <b>NON-DISCRETIONARY PORTFOLIO ADVISORY SERVICES:</b> In addition to the monthly statements and confirmations of transactions that Non-Discretionary Portfolio Advisory Services clients receive from their broker dealer, LIM will provide detailed quarterly account performance reports.
Items 12A1,2	<b>INVESTMENT DISCRETION</b> For discretionary clients, LIM requests that it be provided with written authority to determine which securities and the amounts of securities that are bought or sold. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing.
Item 12B	<b>DIRECTED BROKERAGE - BROKERAGE RECOMMENDATIONS DISCRETIONARY PORTFOLIO MANAGEMENT AND NON-DISCRETIONARY PORTFOLIO ADVISORY SERVICES:</b>  As LIM does not have the discretion to choose the broker dealer or the commission rates to be paid, clients must direct the use of a particular broker dealer. LIM requests that clients direct LIM to place all trades through T.D.

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Item 12B	<p>Waterhouse or Fidelity. LIM has evaluated T.D. Waterhouse and Fidelity and believes that T.D. Waterhouse or Fidelity will provide LIM clients with a blend of execution services, commission costs and professionalism that will assist LIM in obtaining best execution for transactions. While LIM has a reasonable belief that T.D. Waterhouse or Fidelity are able to obtain best execution and competitive prices, LIM will not be independently seeking best execution price capability through other broker dealers. LIM reserves the right to decline acceptance of any client account that directs the use of a broker dealer other than T.D. Waterhouse or Fidelity, if LIM believes that the use of that broker dealer would hinder LIM from meeting its fiduciary obligation to the client.</p>	
Item 13A	<p><b>ADDITIONAL COMPENSATION</b> LIM receives research reports from TD Ameritrade which are used to assist our investment decision making process. The majority of this stock research is from independent third party sources including Standard &amp; Poors, Argus, First Call and Reuters. In addition, through TD Ameritrade, LIM receives research from Goldman Sachs. LIM uses this research to service all accounts.</p>	