ACCUMULUS
CAPITAL MANAGEMENT, LLC

April 8, 2011

Accumulus Funds — 2011 First Quarter Letter

Dear Accumulus Investor,

For the first quarter of 2011, the Accumulus Funds returned between 3.7% and 3.1% in USD and 3.1% in EUR. The following table puts these returns in the context of hedge fund indices and other asset classes:

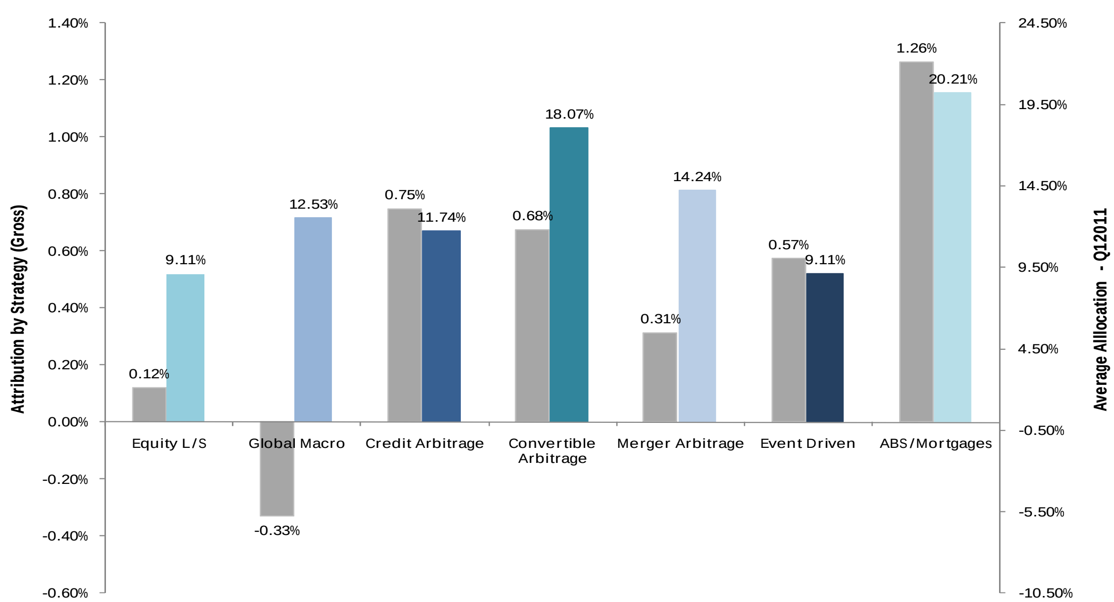
	Jan-11	Feb-11	Mar-11*	2011 YTD	Trailing 12 M	Since inception (Ann.)
Accumulus Fund LP (US$)	1.56%	1.61%	0.54%	3.75%	9.84%	6.43%
Accumulus Fund US$	0.92%	1.17%	1.01%	3.13%	11.23%	11.01%
Accumulus Fund EUR	0.98%	1.11%	1.01%	3.14%	10.83%	10.44%
HFRX Global Investable Index	0.56%	0.73%	-0.88%	0.40%	3.93%	3.05%
HFRI Fund of Funds Composite Index	0.10%	0.82%	-0.13%	0.79%	5.06%	4.24%
S&P 500 Index (DRI)	2.37%	3.42%	0.04%	5.91%	15.65%	3.65%
MSCI World Index (DRI)	2.28%	3.57%	-0.95%	4.93%	14.07%	5.34%
CSFB High Yield II Index	2.01%	1.30%	0.41%	3.77%	13.64%	9.27%
US Gov't Bonds (7-10 Year Maturities)	0.03%	-0.03%	-0.06%	-0.06%	7.96%	5.57%

* March 2011 Performance is estimated

Accumulus Fund LP and all indices shown since inception of Accumulus Fund LP (Sep 2001); Accumulus Fund inception: July 2009

We are pleased not only with the strong absolute return in the first quarter, but also with the fact that all three months were solidly positive in what was a very volatile period in which many hedge funds struggled to make money. These results also strengthen our resolve to focus on arbitrage, credit and event-driven strategies. The following table shows the capital allocation and performance attribution of Accumulus Fund for the first quarter:

Accumulus Fund - Q1 2011 Performance by Strategy (gross) vs. Average Allocation to Strategy



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Most of our strategies and managers performed roughly in proportion to their capital allocation, except for long/short equity which has continued to disappoint, and merger arbitrage which performed as expected, but unsurprisingly, did not keep up with the strong performance of the higher risk strategies. Our lone global macro manager was down slightly in Q1, but again, this was expected as this fund is positioned quite bearishly and should protect Accumulus Fund when other managers are not doing as well.

Some investors have heard us say that when we pick managers, we prefer old and rich to young and hungry. Our reasoning is that many of the young and hungry may be too inexperienced and may take inappropriate risks, whereas the old and rich have experience, a track record and their wealth - assuming it was earned and not inherited - is testament to their investment and capital preservation skills. This approach may result in missing the occasional superstar, but it will also help us avoid being around such stars as they come crashing down! Surveying the funds that we are invested with as of April 1st, the average age of our portfolio managers is 48 years with only 2 being less than 40 years old. In addition to experience, what we are really looking for are managers that are driven by the success - as expressed in the risk-adjusted return to clients - of their funds and not by the money they make personally. Obviously, if performance is good, financial rewards to the manager will follow, but it is the sole focus on the former that matters.

We also try to avoid the "mega funds", even though these are often managed by old and rich and usually very talented managers. The reason is that we recognize the difficulty of managing a massive pool of assets in a market neutral way. Very large funds invariably become macro funds which need to get the direction of markets right, something which is very hard (if not impossible) to do with any consistency. Arbitrage becomes virtually impossible once a fund becomes very big. Thus the median size of our funds is $350m, with the smallest being $90m and the largest just below $2bn. In some cases our funds are run within firms that manage additional assets in other strategies. Often this enables better infrastructure and back office, better terms with service providers as well as greater clout with brokers, all without the negatives of managing too much money in one strategy.

We are also very fee conscious and do not solely look at the net returns generated by a manager. For example, we would probably prefer a 12% annualized net return achieved by a fund with a 1.25% & 15% fee structure over a slightly higher return achieved by 2% & 20% fund, as the manager with the higher fees had to take significantly higher risks to achieve similar net returns as the lower-fee manager. We can be quite sure that higher risks will one day manifest themselves in bigger losses. At the same time we recognize that good managers deserve to be paid well, especially if they restrict the amount of capital that they manage in order to not compromise the risk-adjusted quality of their returns. On average, our managers charge a 1.5% management fee and a 19% performance fee. Three of our managers charge their performance fee only once a certain hurdle return has been achieved, something we believe all managers should do.

Regarding the outlook, I can only reiterate that we are concerned about the numerous imbalances and unsolved problems, but we prefer to stay on the sidelines of the big macro calls, while remaining conscious of what impact certain macro developments might have on our portfolios. We believe our managers are reasonably hedged and focused on grinding out good risk adjusted returns one day at a time.

As always, if you have any questions about the portfolios, please get in touch. Thank you for entrusting us with your assets.

Yours sincerely,

Benjamin Schliemann