

Avondale Investment Company, LLC

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This brochure provides information about the qualifications and business practices of Avondale Investment Company, LLC. If you have any questions about the contents of this brochure, please contact us at Skrisiloff@avondaleam.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. Registration as an investment advisor does not imply a certain level of skill or training.

Additional information about Avondale Investment Company, LLC is also available on the SEC website at www.adviserinfo.sec.gov.

Item 2. Material Changes

This Brochure, dated July 2, 2014 is an amended document to the initial document as according to the SEC's new requirements and rules.

In the future, this Item will discuss material changes, if any, made to this Brochure as part of our annual update.

A summary of any material changes to this and subsequent Brochures will be provided to you within 120 days of the close of our business' fiscal year. We may also provide you with additional up dates or other disclosure information at other times during the year in the event of any material changes to our business.

You may request the most recent version of this brochure by contacting Scott Krisiloff at 310-779-7383 or at Skrisiloff@avondaleam.com.

The following material changes have been reflected in this Brochure and are changes from our prio Brochure.

- Item 4 was amended to reflect current assets under management
- Item 5 was amended to clarify fee deduction policy
- Item 8 was amended to clarify investment strategy and portfolio construction guidelines

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Item 4. Advisory Business

Avondale Investment Company, LLC (“Avondale” or the “Firm”) is an independent investment management firm established in 2011 in the State of California. The firm is a single member LLC with 100% of its ownership vested in Scott Krisiloff.

Avondale offers investment management services to individuals including high net worth individuals, through separately managed accounts (“Clients”). Normally, accounts are fully discretionary and managed in accordance with the Client’s risk and return objectives and portfolio constraints including investment time horizon, liquidity needs, tax considerations, unique circumstances and other reasonable guidelines established by Client and accepted by the Firm. Generally, investment strategies are not tailored to individual Clients, but some strategies can be altered to meet particular Client needs. As of January 31, 2014, the Firm had \$6,500,000.00 in assets under management to which we provide advice on a discretionary basis and \$1,500,000.00 in assets under management to which we provide advice on a non-discretionary basis. The firm does not participate in wrap fee arrangements.

Avondale manages portfolios with the objective to grow the inflation adjusted purchasing power of invested capital over time in a way that is consistent with individual Client risk tolerance.

Item 5. Fees and Compensation

Avondale is compensated by an investment advisory fee based on a percentage of assets under management. All fees are negotiable. Lower fees for comparable services may be available from other sources. Our standard investment advisory fee schedule is as follows:

Account Value	Annual Fee Rate
On amounts up to the first \$10 million:	1.00%
On amounts over \$10 million up to \$25 million:	0.75%
On amounts over \$25 million up to \$50 million:	0.65%
On amounts over \$50 million up to \$75 million:	0.55%
On amounts over \$75 million up to \$100 million:	0.50%
On amounts in excess of \$100 million:	0.45%

Fees are normally calculated and billed quarterly in arrears at the end of the calendar quarter. The Client has discretion over whether to deduct the fees directly from assets or pay the fees from other Client sources. Clients are responsible for paying brokerage commissions related to the purchase and sale of securities for their account.

Clients have the right to terminate managed accounts with Avondale at any time upon written notice. Avondale may also terminate its investment advisory contract with a Client at any time, for any reason, upon not less than thirty (30) calendar days written notice provided to the Client. Upon termination, Avondale will bill the Client for any earned, unpaid fees which will be payable upon your receipt of our bill. There are no closing or penalty fees for terminating a Client’s investment advisory contract.

Clients should be aware that they are likely to incur fees beyond Avondale's advisory fees, including fees charged by the Client's custodians and imposed by broker-dealers. Such fees may include, but are not limited to, custodial fees, transaction costs, fees for duplicate statements and transaction confirmations, brokerage commissions, and fees for electronic data feeds and reports.

Item 6. Performance Based Fees

Avondale does not manage any accounts on the basis of a performance-based fee or side by side management arrangements.

Item 7. Types of Clients

As noted in Item 4 above, we advise separately managed accounts for individuals and high net worth individuals. Avondale does not have a minimum dollar value requirement for establishing an investment advisory account and maintaining an investment account.

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

As noted above, Avondale provides Investment Advisory services for separately managed accounts. Generally, Avondale manages accounts in accordance with the investment strategy outlined below. Note that individual account holdings and performance may vary based on many factors which includes, but is not limited to, suitability for unique risk objectives. Also note that guidelines involving allocation thresholds are not absolute and may be altered without notice based on the investment environment.

Objective

Our general investment objective is to grow the inflation adjusted purchasing power of invested capital over time.

Investment Universe

Generally, our investment program consists of a portfolio invested in a broad universe of publicly traded securities. This includes individual equities, bonds, ETFs and other securities. The portfolio may hold investments in foreign companies but typically would do so through US listed vehicles.

Investment Strategy

We take a long-term investment perspective and seek to invest in assets that are undervalued by the market relative to their fundamental characteristics. In order to find opportunities we rely on internally developed research including macroeconomic forecasts, fundamental Firm research and quantitative models, which screen for important investment criteria.

Portfolio Construction/Risk Management

Avondale believes that this investment strategy is suitable for investors with a moderate to moderately aggressive risk tolerance. Depending on circumstances it can be modified for investors with other risk tolerances. The portfolio will typically hold fewer than 20 individual positions. Our general investment guidelines (measured at time of purchase) are as follows:

- Maintain a reasonable level of diversification among asset class and economic sector as dictated by the investment environment. The portfolio will tend to have a focus on corporate securities;
- Maximum 35% of portfolio in any single diversified asset position (ETF, mutual fund); and
- Maximum 10% of portfolio for any non-diversified security (individual equity, bond, ETN, inverse/leveraged ETF).

Sell Discipline

Our investment program is designed to limit turnover which typically minimizes trading costs and negative tax consequences. Some factors that would lead to a sale of an investment are:

- Market realization of expected asset value;
- Existence of superior alternative investment opportunity; and
- Change in underlying fundamental environment.

Risks inherent to the investment process:

Risk of Loss – Investing in equity securities involves substantial risks, investors should be prepared for the possibility of losing some or all of their investment.

Concentration Risk – Avondale’s portfolios are concentrated, which may cause performance to be more volatile than a more diversified portfolio. Avondale’s portfolios may also be over-weighted and under-weighted in various economic sectors, industries and Firm sizes. This can contribute to a negative impact on Avondale’s absolute and relative returns if the portfolio is over-weighted in a weak performing sector or under-weighted in a strong performing sector.

Model Risk—Avondale may use quantitative models to aid in security selection. These models have been back-tested for performance, but past performance is not indicative of future returns. Likewise, the factors that the model has determined to be relevant based on past experience, may not prove relevant on a go forward basis.

Liquidity Risk –The investments in securities selected by the FirmFirm may be illiquid. As a result, it may be necessary to hold these investments for an indefinite period of time. Generally, a less liquid investment bears more risk than a more liquid one. If the FirmFirm is unable to liquidate an investment as its value declines, the FirmFirm will be unable to limit losses. Similarly, if the Firm Firmis unable to liquidate an investment at a time when cash is needed, the

Firm Firm may miss other investment opportunities or be forced to sell other investments at unfavorable times.

General Risk—The Firm’s investment strategies are designed to accomplish the investment objective of each Client. However, there can be no guarantee of the success of the strategy and the Firm’s investment activities may be adversely affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of the investments. Unexpected volatility or illiquidity could impair the portfolio’s profitability or result in losses.

Other Risks—The Firm may invest for its Clients in non-U.S. securities and other assets, which will give rise to risks relating to political, social and economic developments abroad, as well as risks resulting from the differences between the regulations to which U.S. and non- U.S. issuers and markets are subject. These risks include political or social instability, the seizure by foreign governments of Firm assets, acts of war or terrorism, withholding taxes on dividends and interest, high or confiscatory tax levels and limitations on the use or transfer of assets. In addition, enforcing legal rights in some foreign countries is difficult, costly and slow, and there are sometimes special problems enforcing claims against foreign governments.

Item 9. Disciplinary Information

Form ADV Part 2 requires investment advisers such as Avondale Investment Company, LLC, to disclose legal or disciplinary events involving the firm or our partners, officers, or principals that are material to your evaluation of our advisory business or the integrity of our management. At this time, we have no information to report that is applicable to this item.

Item 10. Other Financial Industry Activities and Affiliations

There are no activities or affiliations to report.

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

Avondale has adopted the Code of Ethics and Standards of Conduct as adopted by the CFA Institute: The Code of Ethics incorporates the following principals

must:

- Act with integrity, competence, diligence, respect, and in an ethical manner with the public, clients, prospective clients, employers, employees, colleagues in the investment profession, and other participants in the global capital markets.
- Place the integrity of the investment profession and the interests of clients above their own personal interests.
- Use reasonable care and exercise independent professional judgment when conducting

investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities.

- Practice and encourage others to practice in a professional and ethical manner that will reflect credit on themselves and the profession.
- Promote the integrity of and uphold the rules governing capital markets.
- Maintain and improve their professional competence and strive to maintain and improve the competence of other investment professionals.”

Avondale’s principal owner and portfolio manager does invest money in the same securities recommended to Clients, but transactions with respect to those securities and all transactions conducted by the portfolio manager are conducted with strict adherence to Standard VI(B) of the CFA institute’s Standard’s of professional conduct which is the following:

“Standard VI(B) reinforces the responsibility of members and candidates to give the interests of their clients and employers priority over their personal financial interests. This standard is designed to prevent any potential conflict of interest or the appearance of a conflict of interest with respect to personal transactions. Client interests have priority. Client transactions must take precedence over transactions made on behalf of the member’s or candidate’s firm or personal transactions.”

A copy of the Code of Ethics will be provided to Clients or prospective Clients upon request.

Item 12. Brokerage Practices

Avondale recommends that Clients use Scottrade as a custodian and broker for the accounts that it manages. Clients can choose to use a different broker, but currently all of Avondale’s Clients custody their accounts at Scottrade. Consequentially Avondale conducts all trades through this broker, and the broker receives a fee for these trades. However Avondale receives no compensation of any kind for such an arrangement.

Item 13. Review of Accounts

All accounts are monitored on a regular basis by the portfolio manager, Scott Krisiloff. Account objectives, investment outlook, portfolio holdings and transactions are reviewed with the Client based on the Client's requested schedule. Each Client receives a quarterly report of investment activity, which includes an appraisal, transaction summary and performance review

Item 14. Client Referrals and Other Compensation

Avondale does not receive economic benefit from anyone who is not a Client. In addition, Avondale does not provide any compensation either directly or indirectly for Client referrals.

Item 15. Custody

Avondale does not maintain custody or possession of the assets or securities of any Client. Client funds are held by custodians or broker-dealers ultimately chosen by the Client. Avondale holds a limited power of attorney (i.e., limited power of trading authority) to act on a discretionary basis with respect to such Client funds. Clients should receive account statements directly from their custodian or broker-dealer and should carefully review those statements.

Item 16. Investment Discretion

Avondale has discretionary investment authority over its Clients' separately managed accounts. This discretionary investment authority (a limited trading power of attorney) is granted to Avondale through the execution of an investment advisory contract between Avondale and the Client. This discretionary investment authority allows Avondale to make investment decisions on behalf of these accounts without obtaining prior consent. Examples of discretionary investment decisions that Avondale makes on behalf of its clients and the Fund are determining securities and quantities to buy or sell; determining the brokers through which transactions will be executed, providing brokers with pricing guidance for these transactions; and determining the commission rates to be paid to the executing brokers.

Avondale strives for fair and equitable distribution of securities trades among accounts within a specific strategy or within similar strategies, and provide for aggregation of multiple orders for the purchase or sale of the same security in order to realize certain efficiencies and/or economies of scale.

Still, there may be variance in the performance of accounts from Client to Client even for those in the same strategy. Clients may impose restrictions on the percentage of their portfolios that Avondale may invest in any individual security or industry. Avondale may place trades for an individual account based on the needs and objectives of the account. Also, the Firm may not include certain Client portfolios in a trading program for a variety of reasons specific to that portfolio.

Clients may request that their portfolio be invested in accordance with a tax-sensitive strategy. To achieve this objective, the portfolio will be managed with the unique tax considerations of each Client, including the Client's cost basis, holding period and tax rate. As such returns of such portfolios may differ from those invested in the same or similar strategy.

Item 17. Voting Client Securities

Avondale does not vote proxies on behalf of its Clients. If a client desires, Avondale can make recommendations to a Client on how best to deal with proxy voting.

Item 18. Financial Information

Avondale does not require or solicit the prepayment of more than \$500 in fees per Client, six months or more in advance. As noted in Item 5 above, separately managed accounts are

billed quarterly in arrears. Avondale has discretionary authority to choose investments for client accounts but does not have custody of client funds. Avondale is therefore required to maintain a minimum net worth of \$10,000. Avondale has no financial condition that would impair its ability to meet its contractual commitments to its clients. Avondale has not been the subject of a bankruptcy petition at any time in its existence.

Item 19. Requirements for State-Registered Advisers

A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background

Avondale currently has only one management person/executive officer, Scott Krisiloff, CFA. Scott Krisiloff is the founder of Avondale Asset Management. Prior to founding Avondale Asset Management, Scott worked for four years at Transamerica Investment Management, an entity that managed \$15 Billion in Equity and Fixed Income products. At Transamerica, Scott managed a \$17 Million equity portfolio and worked closely with a fixed income team, which managed \$7 Billion. Scott graduated Summa Cum Laude from the University of Southern California with a Master's degree in Economics and a Bachelor's degree double majoring in Economics and Political Science. He attended USC on a merit scholarship that covered more than half of his tuition. Scott has earned the right to use the Chartered Financial Analyst designation.

B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)

Currently there are no other business activities in which this advisory firm's personnel are engaged.

C. How Performance Based Fees are Calculated and Degree of Risk to Clients

Avondale does not accept performance-based fees or other fees based on a share of capital gains or on capital appreciation of the assets of a client.

D. Material Disciplinary Disclosures for Management Persons of this Firm

No management person at Avondale has been involved in an arbitration claim or been found liable in a civil, self-regulatory organization, or administrative proceeding that is material to the client's evaluation of the firm or its management.

E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)

Neither Avondale, nor its management persons, have any relationship or arrangement with issuers of securities.

All material conflicts of interest und CCR Section 260.238 (k) are disclosed

regarding the investment adviser, its representatives and employees which could be reasonably expected to impair the rendering of unbiased and objective advice.