

This brochure supplement provides information about Donald Lee Dillingham that supplements the Avondale Investments, LLC brochure. You should have received a copy of that brochure. Please contact Donald Lee Dillingham, Managing Member if you did not receive Avondale Investments, LLC's brochure or if you have any questions about the contents of this supplement.

Additional information about Donald Lee Dillingham is also available on the SEC's website at www.adviserinfo.sec.gov.

Avondale Investments, LLC

Form ADV Part 2B – Individual Disclosure Brochure

for

Donald Lee Dillingham

Personal CRD Number: 1310888

Investment Adviser Representative

Avondale Investments, LLC
121 N. E. 50th Street
Oklahoma City, Oklahoma, 73134
(405) 286-9760
ddillingham@avondaleinvestments.com

UPDATED: 7/28/2011

Item 2: Educational Background and Business Experience

Name: Donald Lee Dillingham

Born: 1962

Education Background and Professional Designations:

Education:

BBA, University of Oklahoma, Accounting 1986

MBA, Oklahoma City University, Finance 1988

Designations:

CFA - Chartered Financial Analyst

CFA MINIMUM QUALIFICATIONS:

- Bachelor's degree (or equivalent, as assessed by CFA institute)
- Must pass three six-hour exams
- Must have 48 months of qualified, professional work experience.
- CFA charter holders are also obligated to follow the CFA's Code of Ethics and Standards governing professional conduct.

CPA - Certified Public Accountant

- CPAs are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include minimum college education (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA), and successful passage of the Uniform CPA Examination.
- In order to maintain a CPA license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two year period or 120 hours over a three year period). Additionally, all American Institute of Certified Public Accountants (AICPA) members are required to follow a rigorous Code of Professional Conduct which requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services. The vast majority of state boards of accountancy have adopted the AICPA's Code of Professional Conduct within their state accountancy laws or have created their own.

Business Background:

08/2001 – Present	Managing Member Avondale Investments, LLC
10/2007 – Present	President/CEO Oak Hills Securities, Inc.

Item 3: Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of this advisory business.

Item 4: Other Business Activities

Donald Lee Dillingham is a registered representative of Oak Hills Securities, Inc. From time to time, he will offer clients advice or products from those activities. Clients should be aware that these services pay a commission and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. Avondale always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of Avondale in their capacity as a registered representative.

Donald Lee Dillingham is an investment advisor representative of Merit Advisors, Inc. From time to time, he will offer clients advice or products from those activities. Avondale always acts in the best interest of the client. Clients are in no way required to implement the plan through any representative of Avondale in their capacity as an outside investment advisor representative.

Donald Lee Dillingham has majority ownership interests through his revocable trust in all three Private Funds and in certain of the private companies that the Private Funds invest in. Mr. Dillingham is also the owner and sole managing member of Sequoia Management Company LLC, the manager to the Private Funds and the broker dealer, Oak Hills Securities, Inc. which assists the Private Funds in soliciting investors for such Funds. From time to time, he will offer clients advice or products from those activities. Avondale always acts in the best interest of the client.

Donald Lee Dillingham is also a real estate broker and a CPA. From time to time, he will offer clients advice or products from those activities. Avondale always acts in the best interest of the client.

Mr. Dillingham also has majority and minority ownership interests in the business entities listed below, some of which are the portfolio companies that the Private Funds have invested in:

- Heritage Management Company, Inc. – energy investments
- Dira, LLC – holding company for real estate investments
- Ultimate Equipment X, LLC – drilling rig company
- Giant Partners, LLC – motivational speakers management company
- Great Equipment, LLC – owns restaurant equipment leased to Emerging Brands, Inc.
- Global International, Inc. – no stated business
- Emerging Brands, Inc. – Restaurant
- Native Warehousing, LLC and various series – owns self storage
- Spiro Equipment, LLC and various series – owns equipment for rental

From time to time, Mr. Dillingham may serve as director on a board of a portfolio company or otherwise act to influence management of companies to which the Private Funds hold investments. Mr. Dillingham also may service on advisory boards of such portfolio companies. Clients should be aware that the receipt of certain economic benefits by Mr. Dillingham and therefore indirectly by Avondale, as described above creates conflicts of interest and may indirectly influence Avondale's choice of investment recommendations for clients. Avondale always acts in the best interest of the client.

Item 5: Additional Compensation

Other than salary, annual bonuses, regular bonuses, Donald Lee Dillingham does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Avondale Investments, LLC.

Item 6: Supervision

As the only owner and representative of Avondale Investments, LLC, Donald Lee Dillingham supervises all duties and activities of the firm. Donald Lee Dillingham's contact information is on the cover page of this disclosure document. Donald Lee Dillingham adheres to all required regulations regarding the activities of an Investment Adviser Representative and follows all policies and procedures outlined in the firm's policies and procedures manual, including the Code of Ethics, and appropriate securities regulatory requirements.

Item 7: Requirements For State Registered Advisers

This disclosure is required by Oklahoma securities authorities and is provided for your use in evaluating this investment advisor representative's suitability.

A. Donald Lee Dillingham has **NOT** been involved in any of the events listed below.

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
 - a) an investment or an investment-related business or activity;
 - b) fraud, false statement(s), or omissions;
 - c) theft, embezzlement, or other wrongful taking of property;
 - d) bribery, forgery, counterfeiting, or extortion; or
 - e) dishonest, unfair, or unethical practices.
2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
 - a) an investment or an investment-related business or activity;
 - b) fraud, false statement(s), or omissions;
 - c) theft, embezzlement, or other wrongful taking of property;
 - d) bribery, forgery, counterfeiting, or extortion; or
 - e) dishonest, unfair, or unethical practices.

B. Donald Lee Dillingham has **NOT** been the subject of a bankruptcy petition at any time.