



Item 1 – Cover Page

Avenue Global Advisors LLC

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Form ADV Part 2A, Appendix 1

Wrap Fee Brochure

February 25, 2021

This wrap fee program brochure provides information about the qualifications and business practices of Avenue Global Advisors LLC (CRD #304498) (“Avenue”). If you have any questions about the contents of this Brochure, please contact us via email at customer@avenueglobaladvisors.com. 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.

Avenue is an investment adviser registered with the SEC. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information that you may use to determine whether to hire or retain them.

Additional information about Avenue is also available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by using a unique identifying number, known as a CRD number. The CRD number for Avenue is 304498. The SEC’s website also provides information about any persons affiliated with Avenue who are registered, or are required to be registered, as investment adviser representatives of Avenue.



Item 2 – Material Changes

This document is the Part 2A, Appendix 1 of Form ADV: Wrap Fee Brochure (the “Brochure”) for Avenue. Pursuant to SEC requirements and rules, you will receive a summary of any material changes to this Brochure within one hundred twenty days of the close of Avenue’s December 31 fiscal year end.

Since our last annual update dated March 27, 2020, we have made the following material change:

- As of February 25, 2021, all Client accounts (“Accounts”) managed through the Website are required to use Apex Clearing Corporation as the Clearing Firm. Accounts opened before February 25, 2021 were required to use DriveWealth, LLC (“DriveWealth”) as the Clearing Firm. References to DriveWealth have been updated throughout this document to refer generally to the Clearing Firm.

The Brochure may be requested at any time, without charge, by contacting Avenue at customer@avenueglobaladvisors.com or by checking our website at <https://avenueglobaladvisors.com/>.



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Item 4 – Services, Fees and Compensation

Avenue was founded on May 21, 2019. Additional information about Avenue is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by using a unique identifying number, known as a CRD number. The CRD number for Avenue is 304498. The SEC’s website also provides information about any persons affiliated with Avenue who are registered, or are required to be registered, as investment adviser representatives of Avenue.

Avenue is a registered investment adviser (“RIA”) that offers a wrap fee program to its advisory clients (each a “Client,” and collectively, “Clients”) through an online web-based application.

Avenue is a privately held company headquartered in Miami, Florida, wholly owned by Avenue Holdings Inc. Additional information about Avenue’s organizational and ownership structure is provided in Part 1 of Avenue’s Form ADV, which is available online at <http://www.adviserinfo.sec.gov>.

Wrap Fee Program

Avenue provides web-based advisory services through a wrap fee program that bundles or “wraps” services together and charges a single fee based on the value of assets under management (the “Program”). The Program is provided via Avenue’s proprietary platform located at <https://Avenueglobaladvisors.com/> (the “Website”). The services included in the Program are the management of portfolio allocation models and certain advisory functions with respect to the portfolios. The advisory services are delivered solely through the Website. Avenue does not provide investment advice in person or over the phone or in any manner other than through the Website. Additional information about Avenue’s products and services is provided in Avenue’s Form ADV Part 1 available at <http://www.adviserinfo.sec.gov>. Avenue encourages visiting the Website for additional information. Avenue provides investment advice only with respect to a limited type of investment.

Avenue’s Clients consist of individual investors.

Clients utilize the Website, which allows a Client to create and manage an investment portfolio designed to meet a Client’s financial goals, interests and beliefs within their respective investment risk and financial parameters. The investments offered through the program may include a combination of exchange traded funds (“ETFs”), publicly traded equities, and real estate investment trusts (“REITs”). The Website also provides general education courses and content regarding finance and markets. More on this service is listed in Item 9.

Each Client inputs their personal information, including age, financial resources, and investment goals and objectives via an interactive questionnaire within the Website. Initially, the Platform will recommend a non-discretionary model portfolio for the client after completion of the interactive questionnaire based on his or her responses to the interactive questionnaire. Eventually, the Platform will utilize the information from the questionnaire and provide the Client with access to a curated selection of suitable investment options. Clients should understand the model portfolios and software rely upon the information provided by the Client and Avenue does not capture any additional information not covered in the questionnaire in making its risk assessment and providing its investment advice.

Avenue does not create investment portfolios, allocate assets nor directly manage accounts for Clients. The Website provides recommendations to each Client, and each Client is solely responsible for implementing



any such recommendations. Clients make contributions to their account, after which they are responsible for directing purchases and sales of specific investment alternatives. Clients are not required to implement Avenue's investment advice and should carefully review all of the information provided by the Website and in the relevant ETF prospectus or company reports before investing.

As part of the investment advisory services, Avenue, through the Website, will:

- Review a Client's present financial situation (as reported in the Website); and
- Recommend a model portfolio based upon the answers to the questionnaire.

Eventually, with the deployment of the curated selection, Avenue will be able to:

- Curate investment options based on a Client's risk profile and financial objectives;
- Suggest appropriate diversification and portfolio construction actions;
- Monitor and track assets under management; and
- Provide account statements and confirmations.

Clients are obligated to update their information through the Website promptly if there are changes to their financial situation, goals, objectives, personal circumstances, time horizon or if other relevant information changes or becomes available.

The investments in each Client's account are held in a separate account in the name of the Client at an independent custodian, and not with Avenue. All accounts managed through the Website are required to be held with an independent custodian ("Clearing Firm"). All Client accounts ("Accounts") managed through the Website that are opened on or after **February 25, 2021** are required to use Apex Clearing Corporation as the Clearing Firm. Accounts opened before **February 25, 2021** are required to use DriveWealth, LLC as the Clearing Firm. Avenue does not have the authority to manage Client accounts on a discretionary basis and does not trade in any Client's account except at the Client's direction.

The ETF or single stock shares purchased or sold on behalf of a Client and/or held in Client accounts may be either whole shares or fractional shares, depending upon the amounts a Client invests in the particular ETF or single stock investment. Avenue enables dollar-based investing, whereby a Client can buy a fixed dollar amount rather than whole shares. Avenue, through the Clearing Firm, aggregates all dollar-based purchases and places whole share orders for executions. Thereafter, Avenue allocates the fractional shares to the individual Client accounts. Fractional shares, however, are typically not transferrable outside of a Client's advisory account because the financial system in the United States currently is structured only to accommodate transfers of full shares. As a result, fractional shares may not be marketable or transferrable to another brokerage account.

In the event of a liquidation or transfer of the assets in a Client's account to another account, Avenue may convert such fractional shares to cash.



Clients will receive Avenue's Advisory Agreement and Subscription Agreement, which further detail the services Clients will receive, fees charged to Clients, and the conditions of the Avenue- Client relationship. Importantly, Avenue does not provide overall financial planning services, nor does it provide tax advice.

Fees and Compensation

The Program charges a "wrap" fee which allows Clients to pay a single fee for investment advisory services (the "Fee"). The Fee is not based upon transactions in a Client account, but rather is a bundled fee which includes the costs for advisory services, execution, clearance, custody and account reporting. Investment advisory fees are not prorated for partial months.

The Fee will consist of \$1.50 per month plus 0.167% of the value of the account. On an annual basis, this percentage represents an approximate 2.0% fee ($0.167\% \times 12$). Fees are charged monthly, in advance. Fees will be calculated on the average daily balance of the previous 30 days and will be billed on or near the monthly anniversary date on which the particular Client's account was opened.

Clients should understand that the wrap fee program was designed for frequent investing and therefore, the fee structure might not be appropriate for individuals intending to make only a few and/or infrequent small-dollar investments. The \$1.50 per month Fee may constitute a significant fee on a percentage basis, depending on the amount a Client has invested. For example, if a Client were to invest \$6.00 and not make any other deposits, then, without taking into account other charges or fees directly or indirectly payable by that Client's account (as described below), the Client will have paid Avenue an amount equal to the full amount of the Client's investment (i.e., \$6.00) within four months of the Client's initial deposit. This may potentially be a greater fee than the Client would pay to other investment advisers which permit Clients to invest such an amount.

Avenue will take the monthly advisory Fee from the Client's account. This Fee will be paid from funds in the account or from funds resulting from the sale of investments from the Client's account. Each time a Client uses our advisory services they reaffirm their agreement that Avenue may charge the accounts, as applicable. If Avenue cannot take the Fee from the Client's custodial account, it may take it from the bank account used to fund the Client's account. In the event Avenue cannot charge the applicable accounts, it reserves the right to terminate a Client's access to its advisory services. Termination of accounts will be undertaken at Avenue's sole discretion. Each Client may also terminate its account at any time. Upon termination of a Client's account, assets are liquidated as soon as practicable, and money is returned to the Client, if applicable. Once the account termination process is initiated, Avenue will no longer receive any fees from the Client with respect to the Client's account.

Avenue reserves the right to waive the Fee or any part thereof for any period for any Client in Avenue's sole discretion. To this end, Avenue may, from time to time, elect to launch programs or initiatives whereby the Fee may be waived, in whole or in part, for certain categories of Clients. Any such program or initiative (i) is entirely discretionary to Avenue, and may be expanded, narrowed, suspended, cancelled or modified at any time by Avenue, and (ii) will be subject to any rules, guidelines and/or terms and conditions created by Avenue in connection therewith (which rules, guidelines and/or terms may be included in website landing pages on the Website and/or elsewhere). To the extent any such program or initiative is canceled or terminated, Clients will once again be charged the then-current Fee on a going-forward basis. Avenue shall have sole discretion in determining whether or not any existing Client or potential Client meets the requirements to participate in and/or benefit from any such program or initiative, and Avenue shall not be



liable to the Client or any other party in connection with any such decision and/or in connection with the administration of any such program or initiative generally.

Avenue believes its wrap fee is reasonable considering the quality and scope of the services it provides and the fees charged by other investment advisers offering similar services/programs. However, by participating in a wrap fee program, Clients may end up paying more or less than they would through a non-wrap fee program where a lower advisory fee is charged, but trade execution costs are passed directly through to the Client by the executing broker. In that scenario, Clients would be responsible for any other fees charged by other parties, including the Clearing Firm. Clients could also invest in ETFs, stocks and other securities directly without Avenue's services. In that case, Clients would not receive the services provided by Avenue, which are designed, among other things, to assist in determining which investments are appropriate for the portfolio and the Client's account.

Other Account Fees

The Program includes all trade charges applicable to an account. However, Avenue's fees do not include other related costs and expenses. A Client may incur certain charges imposed by custodians and other third parties. These include transfer fees, administrative fees and other fees and taxes on brokerage accounts and securities transactions. The issuer of some of the securities or products purchased for Clients, such as ETFs or other similar financial products, may charge product fees that affect Clients. Avenue does not charge these fees to Clients and does not benefit directly or indirectly from any such fees. An ETF typically includes embedded expenses that may reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. These fees are in addition to the management fee Clients pay to Avenue. Clients should review all fees charged to fully understand the total amount of fees they will pay.

Investment advisory fees are not prorated for partial months.

Item 5 – Account Requirements and Types of Clients

Avenue's Program is intended for use by Clients to gain access to a customized portfolio consisting of ETFs, publicly-traded equities and REITs.

There are no minimum or maximum account size requirements. However, Avenue reserves the right to impose a minimum or maximum account size or value in the future at its discretion. Fees are not negotiable. Avenue further reserves the right to require additional disclosure information from Clients with accounts in excess of \$100,000.

Item 6 – Portfolio Manager Selection and Evaluation

Portfolio Managers and Advisory Business

Avenue's business is the investment advisory services provided through the Program, and the provision of educational materials to clients. Please refer to Item 4 for information pertaining to our advisory business.

Clients are ultimately responsible for all investment decisions and trades. Avenue provides Clients with access to its proprietary platform for trade execution through the Clearing Firm.



Initially, the Program will recommend a portfolio for the Client to invest. The recommended portfolio will be based on the questionnaire provided by the Client. A Client may invest in one of several portfolios. The portfolios will range from conservative to aggressive and represent particular goals of the Client. For example, a model conservative portfolio's goal will be to offer security, and protect equity; a model moderate portfolio will develop a Client's wealth through long term investments, and a model higher risk portfolio will consist of high growth sectors. Although the Program recommends a portfolio based on the suitability questionnaire, a Client may choose a different portfolio.

Eventually, the Program will utilize a robo-advisor program.

One Avenue employee acts as the portfolio manager for the Program. The ETFs and other securities that comprise Client portfolios are selected via Avenue's internal selection criteria. Clients select their portfolios from the curated list of suitable securities portfolios presented by Avenue through the Website. The securities included in each Client portfolio have been researched and approved by Avenue's portfolio manager. Avenue's internal selection criteria includes, but is not limited to, assessing an ETF's or other security's exposure to a given asset class or sector, how well the ETF tracks its benchmark, the ETF's management fee, the liquidity prospect of the ETF or other security vis-à-vis Avenue portfolios and the management of the ETF. ETFs and REITs themselves are managed by the relevant fund manager/sponsor. Avenue does not manage, control or receive compensation from ETF or other managers.

Rebalancing and initial investments are only performed during specific hours each day. There are inherent risks to the use of algorithms to drive portfolio recommendations, which may result in loss of capital. Avenue also relies on certain vendors, such as Amazon Web Services and Google, in order to provide portfolio rebalancing. In the event that one of these vendors is unavailable, Avenue will not have the capability to rebalance the portfolio.

The Program's performance will be calculated through a time-weighted return.

Performance-Based Fees and Side-by-Side Management

Avenue does not charge any performance-based fees. These are fees based on a share of capital gains on or capital appreciation of the assets of a Client.

Methods of Analysis, Investment Strategies and Risk of Loss

Through qualitative and quantitative due diligence, Avenue selects investments to make available through the Website. Avenue selects ETFs, publicly traded equities and REITs as the investment available through the Website. Avenue chooses ETFs because of their transparency, liquidity, fee models and diversification. Avenue chooses stocks and REITs because of their exposure to specific industries, liquidity, transparency, risk profile and diversification.

The ETFs, stocks, and REITs selected represent an array of investments options across a broad range of investment strategies such as conservative, modest or aggressive balanced risk funds; asset classes such as small, mid, and large cap U.S. equities, fixed income, real estate, commodities, or international; and industries such as healthcare, defense, energy, technology, or consumer.

In Avenue's due diligence and analysis process, Avenue utilizes a form of quantitative analysis in which it analyzes the funds' fees and performance using historical market data, risk metrics and other benchmarks.



Investment Strategies

Avenue uses a proprietary formula to help select the securities it recommends and/or makes available through the Website to each Client. Based on the application of Avenue's proprietary formula, which analyzes Client supplied data on risk appetite and financial status, Avenue suggests the investments that would be most suitable for that particular Client. Initially, this will result in the recommendation of a particular portfolio for a Client. Eventually, once the spectrum of suitable investments is identified, Avenue's digital adviser will recommend investments from among the suggested investments. All dividends from investments are automatically reinvested unless a Client elects otherwise. Avenue's recommendations are designed to promote diversification and return within the Client-specific risk and suitability limits.

Risk of Loss

Avenue does not guarantee the future performance of any Client's account. Clients must understand that investments made via the Program involves substantial risk and are subject to various market, currency, economic, political and business risks, and that those investment decisions and actions will not always be profitable. Clients may not get back the amount invested. Subject to the Advisers Act, Avenue shall have no liability for any losses in a Client's account. The price of any security or the value of an entire asset class can decline for a variety of reasons outside of Avenue's control, including, but not limited to, changes in the macroeconomic environment, unpredictable market sentiment, forecasted or unforeseen economic developments, interest rates, regulatory changes, and domestic or foreign political, demographic, or social events. There is no guarantee that Avenue's judgment or investment decisions about particular securities or asset classes will necessarily produce the intended results. Avenue's judgment may prove to be incorrect, and a Client might not achieve his or her investment objectives. High volatility and/or the lack of deep and active liquid markets for a security may prevent a Client from selling his or her securities at all, or at an advantageous time or price because Avenue and the Client's broker may have difficulty finding a buyer and may be forced to sell at a significant discount to market value. The Program, by its automated nature, limits excessive trading risk, although human programming error may result in excessive trading. Avenue cannot guarantee any level of performance or that any Client will avoid a loss of account assets. Any investment in securities involves the possibility of financial loss that Clients should be prepared to bear.

When evaluating risk, financial loss may be viewed differently by each Client and may depend on many different risk items, each of which may affect the probability of adverse consequences and the magnitude of any potential losses. The following risks may not be all-inclusive but should be considered carefully by a prospective Client before entering the Program. These risks should be considered as possibilities, with additional regard to their actual probability of occurring and the effect on a Client if there is, in fact, an occurrence.

Market Risk - The price of any security or the value of an entire asset class can decline for a variety of reasons outside of Avenue's control, including, but not limited to, changes in the macroeconomic environment, unpredictable market sentiment, forecasted or unforeseen economic developments, interest rates, regulatory changes, and domestic or foreign political, demographic, or social events. If a Client has a high allocation in a particular asset class it may negatively affect overall performance to the extent that the asset class underperforms relative to other market assets. Conversely, a low allocation to a particular asset class that outperforms other asset classes in a particular period will cause that Client account to underperform relative to the overall market.



Investment Risk - There is no guarantee that Avenue's judgment, models or investment decisions about particular securities or asset classes will necessarily produce the intended results. Avenue's judgment may prove to be incorrect, and a Client might not achieve his or her investment objectives. Avenue may also make future changes to the investing algorithms and services that it provides. In addition, it is possible that Clients or Avenue itself may experience computer equipment failure, loss of internet access, viruses, or other events that may impair access to Avenue's software based financial service.

Volatility and Correlation Risk - Clients and should be aware that Avenue's asset selection process is based in part on a careful evaluation of past price performance and volatility in order to evaluate future probabilities. However, it is possible that different or unrelated asset classes may exhibit similar price changes in similar directions which may adversely affect a Client, and may become more acute in times of market upheaval or high volatility. Past performance is no guarantee of future results, and any historical returns, expected returns, or probability projections may not reflect actual future performance.

Liquidity and Valuation Risk - High volatility and/or the lack of deep and active liquid markets for a security may prevent a Client from selling her securities at all, or at an advantageous time or price because Avenue and the Client's broker may have difficulty finding a buyer and may be forced to sell at a significant discount to market value. Some securities (including ETFs) that hold or trade financial instruments may be adversely affected by liquidity issues as they manage their portfolios. While Avenue values the securities held in Client's accounts based on reasonably available exchange-traded security data, Avenue may from time to time receive or use inaccurate data, which could adversely affect security valuations, transaction size for purchases or sales, and/or the resulting fees paid to Avenue.

Credit Risk - Avenue cannot control and Clients are exposed to the risk that financial intermediaries or security issuers may experience adverse economic consequences that may include impaired credit ratings, default, bankruptcy or insolvency, any of which may affect portfolio values or management. This risk applies to assets on deposit with any broker utilized by a Client, notwithstanding asset segregation and insurance requirements that are beneficial to Clients generally. In addition, exchange trading venues or trade settlement and clearing intermediaries could experience adverse events that may temporarily or permanently limit trading or adversely affect the value of securities held by Clients. Finally, any issuer of securities may experience a credit event that could impair or erase the value of the issuer's securities held by a Client. Avenue seeks to limit credit risk through ETFs, which are subject to regulatory limits on asset segregation and leverage such that fund shareholders are given liquidation priority versus the fund issuer; however, certain funds and products may involve higher issuer credit risk because they are not structured as a registered fund.

Legislative and Tax Risk - Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment adviser or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities and changes in the tax code that could affect interest income, income characterization, and/or tax reporting obligations (particularly for ETFs dealing in natural resources).

Foreign Investing and Emerging Markets Risk - Foreign investing involves risks not typically associated with U.S. investments, and the risks may be exacerbated further in emerging market countries. These risks may include, among others, adverse fluctuations in foreign currency values, as well as adverse political, social and economic developments affecting one or more foreign countries. In addition, foreign investing may involve less publicly available information and more volatile or less liquid securities markets, particularly in markets that trade a small number of securities, have unstable governments, or involve



limited industry. Investments in foreign countries could be affected by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws or tax withholding requirements, unique trade clearance or settlement procedures, and potential difficulties in enforcing contractual obligations or other legal rules that jeopardize shareholder protection. Foreign accounting may be less transparent than U.S. accounting practices and foreign regulation may be inadequate or irregular.

Frontier Markets Risks - The risks associated with investing in foreign or emerging markets generally are magnified in frontier markets, also known as “next emerging” markets. Some frontier markets may operate in politically unstable regions of the world and may be subject to additional geopolitical/disruption-of-markets risks.

ETF Risks, including Net Asset Valuations and Tracking Error - ETF performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF. Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate.

Clients should be aware that to the extent they invest in ETFs, they will pay two levels of compensation - fees charged by Avenue plus any management fees charged by the issuer of the ETF. This scenario may cause a higher cost (and potentially lower investment returns) than if a Client purchased the ETF directly.

An ETF typically includes embedded expenses that may reduce the fund’s net asset value, and therefore directly affect the fund’s performance and indirectly affect a Client’s portfolio performance or an index benchmark comparison. Expenses of the fund may include investment adviser management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. ETF tracking error and expenses may vary.

Inflation, Currency, and Interest Rate Risks - Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of an investor’s future interest payments and principal. Inflation also generally leads to higher interest rates, which in turn may cause the value of many types of fixed income investments to decline. The liquidity and trading value of foreign currencies could be affected by global economic factors, such as inflation, interest rate levels, and trade balances among countries, as well as the actions of sovereign governments and central banks. In addition, the relative value of the U.S. dollar-denominated assets primarily managed by Avenue may be affected by the risk that currency devaluations affect Client purchasing power.

Short Positions - Avenue does not presently but may in the future recommend Clients short a security. With a short position, the potential for loss is unlimited.

Derivatives - Avenue does not presently but may in the future recommend the use of options within Client portfolios. Options can serve to mitigate risk, but they can also enhance risk by amplifying losses.



Algorithmic Trading - Clients are advised that the Program relies on computer models, data inputs and assumptions in generating trade orders or recommendations (as applicable). Statistical investing models, such as those used by Avenue, rely on back-tested information, and, thus, may not operate as expected or intended when events having few or no historical antecedents occur, and, accordingly, may generate losses another manager could have been able to avoid.

Cybersecurity Risks - Avenue and its service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from cyber- attacks and hacking by other computer users, and to avoid the resulting damage and disruption of hardware and software systems, loss or corruption of data, and/or misappropriation of confidential information. In general, cyber-attacks are deliberate, but unintentional events may have similar effects. Cyber-attacks may cause losses to Avenue's Clients by interfering with the processing of transactions, affecting Avenue's ability to calculate net asset value or impeding or sabotaging trading. Clients may also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, and the dissemination of confidential and proprietary information. Any such breach could expose Avenue to civil liability as well as regulatory inquiry and/or action. In addition, Clients could be exposed to additional losses as a result of unauthorized use of their personal information. While we have established business continuity plans, incident response plans and systems designed to prevent cyber-attacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Similar types of cyber-security risks also are present for issuers of securities in which we invest, which could result in material adverse consequences for such issuers, and may cause a Client's investment in such securities to lose value.

Investment Strategy Risks - There are risks associated with the long-term core strategic holdings. The more aggressive the investment strategy, the more likely the portfolio will contain larger weights in riskier asset classes, such as equities.

Equity-Related Risks - The prices of equity securities will rise and fall. These price movements may result from factors affecting individual companies, industries, or the securities market as a whole. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies may suffer a decline in response. In addition, the equity market tends to move in cycles, which may cause stock prices to fall over short or extended periods of time.

Large-Cap and Mid-Cap Risks - Large-cap and/or mid-cap segments of the stock market bear the risk that these types of stocks tend to go in and out of favor based on market and economic conditions. However, stocks of mid-cap companies tend to be more volatile than those of large- cap companies because mid-cap companies tend to be more susceptible to adverse business or economic events than larger, more established companies.

During a period when large- and mid-cap U.S. stocks fall behind other types of investments, bonds or small-cap stocks, for instance, the performance of investment strategies focused on large- and/or mid-cap stocks will lag the performance of these other investments.

Small-Cap and International Risks - Historically, small-cap and international stocks have been riskier than large- and mid-cap U.S. stocks. During a period when small-cap and/or international stocks fall behind



other types of investments, U.S. large- and mid-cap stocks, for instance, the performance of investment strategies focused on small-cap or international stocks may lag the performance of these other investments.

Real Estate Risks - Real estate-related investments may be adversely affected by factors affecting the real estate industry, which may include changes in interest rates and social and economic trends. REITs may also be subject to the risk of fluctuations in income from underlying real estate assets, poor performance by the REITs' managers, prepayments and defaults by borrowers, adverse changes in tax laws, and, for U.S. REITs, their failure to qualify for the special tax treatment granted to REITs.

Reliance on Management and Other Third Parties - ETF investments will rely on third-party management and advisers, Avenue is not expected to have an active role in the day-to-day management of fund investments. Carried interest and other incentive distributions to fund management may create an incentive towards more speculative investments than would otherwise have been made.

Infrastructure Risks - Infrastructure-related investments are subject to a number of unique risks. These investments may be concentrated into a small number of projects, resulting in a high degree of risk with respect to each project. Further, these investments are often subject to foreign and emerging market risks.

Market Volatility - General fluctuations in the economy may affect the value of one or more investments. In the event of economic volatility, the ability to achieve a favorable return on investments may be severely impeded.

Novel Coronavirus Pandemic, Public Health Emergency and Global Economic Impacts – As of the date of this Brochure, there is an ongoing outbreak of a novel and highly contagious form of coronavirus ("COVID-19"), which the World Health Organization declared a pandemic on March 11, 2020. The outbreak of COVID-19 has caused a worldwide public health emergency with a substantial number of hospitalizations and deaths, and has significantly adversely impacted global commercial activity and contributed to both volatility and material declines in equity and debt markets. The global impact of the outbreak is rapidly evolving, and many country, state and local governments have reacted by instituting mandatory or voluntary quarantines, travel prohibitions and restrictions, closure or reduction of offices, businesses, schools, retail stores and other public venues and/or cancellation, suspension or postponement of certain events and activities, including certain non-essential government and regulatory activity. Businesses are also implementing their own precautionary measures, such as voluntary closures, temporary or permanent reductions in work force, remote working arrangements and emergency contingency plans. Such measures, as well as the general uncertainty surrounding the dangers, duration and impact of COVID-19, are creating significant disruption in supply chains and economic activity, impacting consumer confidence and contributing to significant market losses, including having particularly adverse impacts on transportation, hospitality, tourism, sports, entertainment and other industries dependent upon physical presence. As COVID-19 continues to spread, potential additional adverse impacts, including a global, regional or other economic recession of indeterminate duration, are increasingly likely and difficult to assess.

The extent of the impact of COVID-19 on Avenue's operational and financial performance and each Client's investments will depend on many factors, including the duration and scope of the resulting public health emergency, the extent of any related restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity, and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. The effects of the



COVID-19 pandemic may materially and adversely impact the value, performance and liquidity of a Client's investments, Avenue's ability to source, manage and divest investments and Avenue's ability to achieve its investment objectives on behalf of its Clients, all of which could result in significant losses to Avenue and its Clients.

In addition, COVID-19 and the resulting changes to global businesses and economies likely will adversely impact the business and operations of Clients, Avenue, and Avenue's affiliates. Certain businesses and activities may be temporarily or permanently halted as a result of government or other quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors, including the potential adverse impact of COVID-19 on the health of key personnel.

Other Catastrophic Risks - In addition to the potential risks associated with COVID-19 as outlined above, Avenue may be subject to the risk of loss arising from direct or indirect exposure to a number of types of other catastrophic events, including without limitation (i) other public health crises, including any outbreak of SARS, H1N1/09 influenza, avian influenza, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof; or (ii) other major events or disruptions, such as hurricanes, earthquakes, tornadoes, fires, flooding and other natural disasters; acts of war or terrorism, including cyberterrorism; or major or prolonged power outages or network interruptions. The extent of the impact of any such catastrophe or other emergency on Avenue's operational and financial performance will depend on many factors, including the duration and scope of such emergency, the extent of any related travel advisories and restrictions, the impact on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity, and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. In particular, to the extent that any such event occurs and has a material effect on global financial markets or specific markets in which Avenue participates (or has a material effect on any locations in which Avenue operates or on any of their respective personnel) the risks of loss could be substantial.

Socially Responsible Investing - Investments may focus on "low carbon" or other areas of socially responsible investing. This investment category represents a relatively new area of investment with a relatively limited performance track record. Due to the consideration of non-monetary factors in investment decisions, these investments may experience a lower rate of return. There may be a relatively limited number of investments to consider in this investment category, and available investments may be subject to increased competition.

Large Investment Risks - Clients may collectively account for a large portion of the assets in certain investments. A decision by many investors to buy or sell some or all of a particular investment where Clients hold a significant portion of that investment may negatively impact the value of that investment.

Limitations of Disclosure - The foregoing list of risks does not purport to be a complete enumeration or explanation of the risks involved in investing in investments. As investment strategies develop and change over time, Clients and may be subject to additional and different risk factors. No assurance can be made that profits will be achieved or that substantial losses will not be incurred.

Voting Client Securities

As a matter of firm policy and practice, Avenue does not have any authority to and does not vote proxies on behalf of Clients. Clients retain the responsibility for receiving and voting proxies for any and all



securities maintained in such Client's portfolio. Clients will receive proxies and other solicitations directly from the designated custodian.

Avenue will neither advise nor act on behalf of the Client in legal proceedings involving companies whose securities are held or previously were held in the Client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements.

Item 7 – Client Information Provided to Portfolio Managers

Avenue has access to all Client information with respect to the particular Client accounts managed through the Website. The Website relies on the information provided by the Client through the interactive questionnaire in order to provide investment advice and recommendations.

Avenue gathers information on the Client's age, income, and other factors to create a Client profile. Avenue also gathers information about Client's goals, time frame for achieving those goals, and rate of savings they will make.

Item 8 – Client Contact with Portfolio Managers

Clients may contact Avenue via email at customer@avenueglobaladvisors.com with respect to technical questions regarding the web-based application. Avenue provides investment advice only through its Website.

Item 9 – Additional Information

Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to an evaluation of such adviser or the integrity of such adviser's management. Avenue does not have any legal, financial, regulatory, or other "disciplinary" item to report to any Client. This statement applies to Avenue and to every employee of Avenue.

Other Financial Industry Activities and Affiliations

Avenue Securities LLC will effect trades for Avenue and is an affiliate of Avenue. Both are owned by the same parent entity. Although this arrangement typically has the potential to create a conflict of interest it does not in this case due to the nature and structure of the wrap fee, namely that only the wrap fee is charged to the Clients and no transaction fees are charged to the Clients.

Avenue Securities LLC primarily introduces Clients to full-service carrying brokers. Avenue and Avenue Securities LLC have overlapping officers, personnel, share office space, and share certain expenses. Certain Avenue management persons are also registered representatives of Avenue Securities LLC as necessary or appropriate to perform their responsibilities.

Avenue requires that Clients use the execution services offered by Avenue Securities LLC. For the avoidance of doubt, Avenue places Client trades with Avenue Securities LLC, which executes such trades on behalf of Clients. Trades are cleared and settled by the Clearing Firm, an unaffiliated clearing broker



and qualified custodian for Avenue Accounts. In each such instance, Avenue expects to seek to effect any such transaction in accordance with the requirements of Section 206(3) of the Advisers Act. Avenue Securities LLC may receive fees, cash credits or other benefits from exchanges and other market centers to which it, as a broker, routes order flow based on the volume and type of order flow routed and whether the order contributes or extracts liquidity from the given market.

Avenue Cash LLC will be a facilitator to Avenue companies providing its customers with additional products such as debit cards and other investment products. Avenue and Avenue Cash LLC have overlapping officers, personnel, share office space, and share certain expenses.

Avenue will also provide educational resources to its Clients, including online courses available through the Website. Some of these courses will be free, while others will be for a flat fee. The subject matter of the educational resources will include general overviews of markets and finance. The courses will not offer any investment advice and are not a part of the advisory services officered by Avenue.

Code of Ethics, Participation or Interest in Client Accounts and Personal Trading

Avenue has adopted a code of ethics (the “Code of Ethics”) for all supervised persons of Avenue describing its high standard of business conduct and fiduciary duty to its Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Avenue must acknowledge the terms of the Code of Ethics annually, or as amended.

Avenue anticipates that, in appropriate circumstances, consistent with Clients’ investment objectives, it will recommend to accounts advised by Avenue to effect the purchase or sale of securities in which Avenue, its management persons and/or Clients, directly or indirectly, have a position or interest. Avenue’s employees and persons associated with Avenue are required to follow Avenue’s Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Avenue and its employees may trade for their own accounts in securities which are recommended to and/or purchased for Avenue’s Clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Avenue will not interfere with (i) making decisions in the best interest of Clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code of Ethics certain classes of securities have been designated as exempt transactions, based upon a determination that personal employee transactions in these types of securities would not materially interfere with the best interest of Avenue’s Clients. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Avenue and its Clients.

Employees’ accounts may trade in the same securities with Client accounts on an aggregated basis when consistent with Avenue’s obligation of best execution. In such circumstances, employee and Client accounts will share commission costs equally and receive securities at a total average price. Avenue will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.



Review of Accounts

Avenue provides all Clients with continuous access to the Website regarding information about account status, portfolio allocations, securities, and balances. Avenue will utilize proprietary, as well as commercially available software, to review the curated portfolios quarterly to ensure that they are in line with investment objectives. The model portfolios will be reviewed quarterly to ensure the portfolio allocation is suitable for the Client. Additional reviews of the model portfolios and curated portfolios may be triggered by material changes in variables such as a Client's individual circumstances, or the market, political or economic environment.

Clients have access to current account balances and positions through the Website. The Clearing Firm prepares account statements showing all transactions and account balances during the prior quarter. All information relating to Client accounts are provided on the Website. Once Avenue implements the robo-advisor, on a quarterly basis, Avenue may review each Client account and remind them to review and update the profile information previously provided. Avenue requests that Clients reconfirm their current profile information as needed and on an annual basis. Avenue, as applicable, conducts reviews when material changes may have occurred to a Client's portfolio or investment objectives. When performed by Avenue, Avenue will retain the Client account review documentation in its database. Avenue considers implications and the volatility associated with each of its chosen asset classes when deciding when and how to rebalance. Client accounts will be rebalanced once the Program has implemented the robo-advisor program and upon the occurrence of any funding of the account or every three months the account receives no additional funds.

Client Referrals and Other Compensation

Avenue and its related persons do not receive an economic benefit (such as sales awards or other prizes) from any third party for providing investment advice or other advisory services to Clients. However, Avenue may receive from a broker-dealer or a fund company, without cost and/or at a discount, certain services and/or products, to assist in monitoring and servicing Client accounts. These may include investment-related research, pricing information and market data, software and other technology that provide access to Client account data, compliance and/or practice management-related publications, discounted or free consulting services, discounted or free attendance at conferences, meetings, and other educational or social events, marketing support, computer hardware or software, and other products used by Avenue to assist Avenue in its investment advisory business operations.

Avenue does not offer cash payments for Client solicitations in accordance with CFR 275.206(4)-3.

Financial Information

Avenue does not require or solicit the prepayment of any fees and does not have any adverse financial condition that is reasonably likely to impair Avenue's ability to continuously meet its contractual commitments to its Clients. Avenue has not been the subject of a bankruptcy proceeding.