

Item 1: Cover Page

ADV Part 2A of Form ADV Investment Advisor Brochure

Avos Capital Management, LLC

1030 37th Ave E
Seattle, WA. 98112
(720) 864-4348

www.avos.co

September 1, 2021

This Form ADV Part 2A ("Brochure") provides information about Avos Capital Management and its business for the use of clients and prospective clients. If you have any questions about the contents of this Brochure, please contact us at (720) 864-4348 or compliance@avos.co. 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. Registration of an investment advisor and does not imply any certain level of skill or training.

Additional information about our firm is available on the SEC's website at: www.adviserinfo.sec.gov.

Item 2. Material Changes

Avos Capital Management is required to advise clients and prospective clients of any material changes to our Firm Brochure ("Brochure") from our last annual update. We are a new advisor and have not yet had an annual date, and the following are changes we have made from our initial brochure.

Item 4: We have added non-discretionary management to our advisory services.

Item 10: We have removed reference to the outside business activity of Peter Joers, the firm's CCO and an owner of the firm, as he no longer is employed by another firm.

In the future, we will use this section to identify material changes that may take place between annual updates.

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Item 4. Advisory Business

Firm Description

Avos Capital Management, LLC (“we,” “us,” “our,” or “Avos Capital Management”), is a Delaware State Limited Liability Company formed January 6, 2021. Avos Capital Management’s principal owners are three individuals: Joshua Blanchfield, Peter Joers, and Michael Polansky. Between them they own 100% of the firm.

Types of Advisory Services

We provide ongoing, supervisory asset management services to clients. We implement portfolios using publicly traded securities through a broad variety of asset classes, including but not limited to equities, fixed income, commodities, and currencies. We often use exchange-traded funds to gain efficient exposure to the desired asset classes. Our goal is to build efficient portfolios, specifically portfolios which will generate risk-adjusted returns tailored to the client’s specific needs. At times, clients come to us with existing privately held securities, and we provide those clients with ongoing analysis at both the security and portfolio level, and recommendations, as needed for the client’s specific needs. We generally manage client portfolios on a discretionary basis. However, we will provide ongoing supervisory management services on a non-discretionary basis upon request from a client and agreed to in writing through our management agreement.

Client-Tailored Relationships

We take the time to understand each client’s unique risk profile and goals and strive to create a highly efficient, diversified strategic portfolio tailored to the individual needs of each client.

Clients may impose reasonable restrictions on investing in certain securities or types of securities, which will be captured in writing, if we agree to accommodate such restrictions.

Participation in Wrap Fee Programs

We do not offer or participate in a Wrap Fee Program.

Assets Under Management

We currently manage \$169.4 million in client assets; \$27.7 million is managed on a discretionary basis and \$141.7 million is managed on a non-discretionary basis.

Item 5. Fees & Compensation

We charge an annual, asset-based fee, billed quarterly in arrears. The fee is based on the average daily balance as calculated and valued by your account custodian. Our fees are negotiable depending on individual client circumstances; all clients do not pay the same fee.

<u>Assets Under Management</u>	<u>Annual Fee</u>
Up to \$10 million	.75%
Over \$10 million	.65%

We deduct our fee directly from your account through the qualified custodian holding your funds and securities. You authorize this fee deduction through your written client agreement with us and the account opening paperwork with your custodian.

While we take measures to ensure the fees charged are accurate, we encourage you to review your fees to ensure accuracy. In addition to any statements or reports we send you, you will receive statements at least quarterly directly from your custodian that reflects all activity in the account, including our fee. We strongly urge you to compare these statements for accuracy.

Other Fees

Third-party service provider fees are not included in our advisory fees described above. Our fees are exclusive of custodial brokerage commissions, transaction fees, and other related costs and expenses which you will incur. Examples of some of these expenses include custodial fees, odd-lot differentials, interest on margin accounts, borrowing charges on securities sold short, transfer taxes, wire transfer and electronic fund fees, or other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are built into the fund's price and lower the overall return. We do not receive any portion of the commissions, fees, and costs charged by a fund company or your custodian/broker-dealer.

Outside Compensation

We do not accept commissions for the sale of securities or other investment products, including asset-based sales charges or service fees for the sale of mutual funds.

Termination of Services

Either Avos Capital Management or you can terminate our agreement upon receipt of written notice to the other party. We will deduct fees earned through the date of termination, the date the account was transferred away from Avos Capital Management, or access to the account is revoked by the client, whichever is earlier. Our final fee will be prorated based on the number of days in the quarter we provided management services. When an agreement is terminated, if there is insufficient cash in the account, the liquidation of some securities may be used to pay the fees. If you transfer your account from your current custodian, you may incur additional charges. You will be responsible for paying all fees including custodial administrative fees, account closure fees, transfer fees, mutual fund fees and trading costs due to the termination.

Item 6. Performance-Based Fees & Side-By-Side Management

We do not charge advisory fees based on a share of the capital appreciation of funds or securities in client's accounts.

Item 7. Types of Clients & Account Requirements

We provide services to the following types of clients:

- Individual and high net worth individuals
- Institutional clients

- Pension and profit-sharing plans
- Trusts
- Estates
- Charitable organizations

Minimum Account Size

We do not have a minimum account size.

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

Methods of Analysis

We use a variety of analytical methods to formulate investment advice and manage client portfolios, including fundamental, historical, and mathematical techniques. Resources we use in our analysis include professional financial publications, company reports and filings, and third-party data and research.

Investment Strategies

The strategic asset allocation of the portfolios that we build and recommend are based on a fundamental understanding of the drivers of asset class performance. The goal of these portfolios is to preserve and grow wealth in a wide range of market scenarios. They are implemented using a broad variety of asset classes, including equities, fixed income, commodities, and currencies. We aim to implement our portfolios as efficiently as possible, often using publicly traded pooled vehicles like exchange-traded funds to gain exposure to the desired asset classes.

The tactical portion of a portfolio is actively traded and relies on our ability to identify mispriced securities. The objective is to generate attractive risk adjusted returns on top of the returns of the strategic asset allocation. Generating returns from tactical trading will require that our views differ from the views built into the price of the security, and that we are correct more often than we are wrong. Our tactical investment strategies can involve trading a wide range of instruments, including derivatives. We will take long, short, and spread positions. Frequent trading can affect investment performance, particularly through transaction costs and taxes. We only execute a trade when our estimate of the expected return of the trade is meaningfully larger than the cost of the trade.

Risk of Loss

Investing is not without risk and involves the risk of loss of principal, which the Client should be prepared to bear. We build diversified portfolios to reduce this risk, but history clearly shows that there are periods when all asset classes can simultaneously suffer losses. Our tactical trading has less market risk over time than our strategic portfolio, because it includes positions that are either short (would benefit from a falling market) or market neutral (includes a long and short position). However, at a point in time it will often have either net long or net short market risk. Our tactical trading has the additional risk factor that our judgment about whether a security will rise or fall in price can be wrong. While we use diversification to make sure no one trade is of outsized importance in the portfolio, there is no guarantee that most, or all, our trades could not be wrong at the same time.

As with any investment, a client could lose all or part of their wealth we manage, and their account performance could trail that of other investments. We do our best as an investment adviser to manage risk exposures and to prevent losses; however, losses cannot be prevented in all cases. There is no guarantee that our investment decisions about particular securities or asset classes will necessarily produce the intended results; our judgement may prove to be incorrect, and clients might not achieve their desired investment objectives.

Below are examples of some of the more common risk factors involved in investing in our strategies. This is not a complete list of all risks and as markets and our opportunity set develop and change over time, your portfolio may be subject to additional and different risk factors.

Equity Securities. Prices of common stock react to the economic conditions of the company that issued the security; industry and market conditions; as well as other factors and may fluctuate widely. Investments related to the value of a stock may rise and fall based on an issuer's actual and anticipated earnings, changes in management, the potential for takeovers and acquisitions, and other economic factors. Similarly, the value of other equity-related securities, including preferred stock, warrants and options may also vary widely. Market conditions may affect certain types of stocks (such as large-cap or technology-related) to a greater extent than other types of stocks. If the stock market declines, the value of a portfolio may also decline and there is no assurance that values will return to previous levels.

Exchange-Traded Funds. Exchange-traded funds ("ETFs") are funds bought and sold on a securities exchange that attempt to track the performance of a specific index (such as the S&P 500), a commodity, or a basket of assets (such as a set of technology-focused, country-specific, or other sector-specific stocks). The risks of owning an ETF generally reflect the risks of owning the underlying securities they are designed to track. ETFs have management fees that increase their costs. ETFs are also subject to other risks, including: the risk that their prices may not correlate perfectly with changes in the underlying index (tracking error); the risk that the ETF will trade at prices that differ, sometimes materially, from the ETF's net asset value; and illiquidity risk, especially for narrowly focused ETFs.

Mutual Funds. These are professionally managed investments that pool money from multiple investors to purchase securities. Mutual funds may be broad-based (e.g., focused on the market overall, or focused on large-capitalization companies), or they can be narrower in scope, such as those focused on the securities of a specific sector. The primary risk of mutual funds is the passing through of the risks of the underlying securities they hold. Mutual funds do not trade on an exchange but are priced daily based on the net asset value of the securities held in the fund. Investors buy or sell fund shares based on that end-of-day price.

Fixed-Income Securities. Prices of fixed income instruments (e.g., government bonds) exhibit volatility like other asset classes. Investments in fixed income instruments present numerous risks, including credit, interest rate, and prepayment risk, all of which affect the price of the instruments. For instance, a rise in interest rates will cause the price of bonds to go down. Where a client's fixed income exposure is to bond funds or fixed-income ETFs, the fund or ETF does not itself "mature," although different issues held by the fund/ETF will mature and will experience price fluctuations. The developed world has experienced a prolonged period of historically low interest rates; future increases in rates could have a material negative

impact on the value of current fixed income holdings. In addition, the value of fixed income instruments may decline in response to events affecting the issuer, its credit rating or any underlying assets backing the instruments.

Inflation, Currency, and Interest Rate Risk. 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. Higher interest rates, sometimes also associated with inflation, may cause the value of many types of investments to decline by increasing the discount rate for future cash flows. In addition, the purchasing power of the assets managed by Avos may be negatively impacted by currency fluctuations, and assets denominated in foreign currencies will experience a loss (in dollar terms) if the dollar strengthens against those currencies.

Liquidity Risk. Liquidity is the ability to readily convert an investment into cash. Reduced liquidity may have an adverse impact on market price and the ability to sell particular securities when necessary to meet cash needs or in response to a specific economic event, such as the deterioration of creditworthiness of an issuer. Avos has a conservative stance towards liquidity risk and aims to minimize it wherever possible, however all such risks cannot be avoided, particularly during crisis periods.

Non-Market Risk. The price of any security, including stocks, bonds, ETFs, or mutual funds may drop in reaction to a wide range of events and conditions. This type of risk is caused by external factors independent of a particular security's underlying circumstances. For example, political and social conditions, natural disasters, and wars may trigger market events that can cause losses.

Derivative and Leverage Risk. Leverage is the act of using borrowed money or derivatives to create market exposures that are larger than your account equity. When using leverage, your loss may be greater than your initial investment. Leveraged losses can also accelerate due to the mechanical property of leverage that it increases with losses and decreases with gains. Derivatives prices theoretically reflect the prices of underlying securities, however in practice there can be basis risk between the derivative and the underlying that can cause losses.

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 advisor 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. In certain circumstances a Client could incur taxable income on their investments without a cash distribution to pay the tax due.

Cybersecurity Risk. Cyber incidents affecting our firm, our service providers, or the underlying investments made by our clients, have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the release of investor information, interference with the ability to calculate the value of our clients' investments, destruction to equipment and systems, violations of applicable privacy and other laws, regulatory fines or penalties, reputational damage, or additional compliance costs. While Avos Capital Management has established risk management strategies, systems, and policies and procedures to seek to prevent cybersecurity incidents, there are inherent limitations in

such plans, including the possibility that certain risks have not been identified. In addition, since we do not directly control the cybersecurity systems of third-party service providers, there can be no assurance that the cybersecurity practices of these providers will protect Avos Capital Management from any potential incidents.

Item 9. Disciplinary Information

We are required to disclose all material facts regarding any legal or disciplinary event that would be material to your evaluation of our firm, or the integrity of our management. We have no information to disclose applicable to this Item.

Item 10. Other Financial Industry Activities & Affiliations

Neither Avos Capital Management nor any of our management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.

Neither Avos Capital Management nor any of our management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

We do not recommend third-party managers to our clients. We neither receive compensation from others for referrals, nor do we pay any others for referrals we receive.

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

To fulfill our responsibilities as a fiduciary, we have adopted a Code of Ethics (the “Code”). The Code incorporates the following general principles that all employees are expected to uphold: (1) putting the clients’ interest first at all times; (2) conducting all personal securities transactions in such a manner to be consistent with the Code and to avoid any actual or potential conflict of interest or any abuse of an employee’s position of trust and responsibility; (3) not taking inappropriate advantage of their position; (4) treating all client information as confidential, and (5) maintaining independence in the investment decision-making process.

Investments by associates of our firm in their personal accounts, in securities that are also held in client accounts, could give the perception of interfering with our fiduciary duty of making decisions which are in the best interest clients and could otherwise have a disadvantageous effect on the values, prices or trading strategies of client portfolios. Our personal trading policy has been developed to address this particular conflict by requiring all associated person transactions be executed after all client trading has been completed for the day.

In addition to personal trading policies, the Code also addresses and governs the giving and receiving of gifts and entertainment, service on outside boards of directors and other outside business activities. Our personnel are required to certify to compliance with the Code on a periodic basis.

Please contact us at the telephone number or email address listed on the first page of this Brochure if you would like to receive a full copy of our Code of Ethics.

Item 12. Brokerage Practices

Recommendation of a Broker/Custodian; Factors We Consider

Avos Capital Management does not maintain custody of your assets, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account to pay our fees or to direct funds to third parties you authorize (see Item 15. Custody, below). In all cases, client assets must be held with a “qualified custodian,” generally a broker-dealer or a bank. Although we may on an exceptional basis work with other broker/dealers and custodians, we recommend Interactive Brokers, LLC a registered broker-dealer, member SIPC, as the qualified custodian.

We are independently owned and operated and are not affiliated with Interactive Brokers. Interactive Brokers will hold your assets in a brokerage account and buy and sell securities as we instruct them to. While we recommend you use Interactive Brokers, you will decide whether to do so and will open your account with Interactive Brokers by entering into an account agreement directly with them. We cannot open the account for you, though we assist you with the process and handle the administrative aspects.

When considering whether the terms Interactive Brokers provides are overall most advantageous to you when compared with other available providers and their services, we take into account a range of factors, including:

- Combination of transaction execution services and asset custody services, generally without a separate fee for custody
- Capability to execute, clear, and settle trades
- Capability to facilitate transfers and payments to and from accounts
- Breadth of available investment products
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services and willingness to negotiate prices
- Reputation, financial strength, security and stability
- Prior service to us and our clients
- Services delivered or paid for by Interactive Brokers
- Availability of other products and services that benefit us, as discussed below

Interactive Brokers’ Brokerage and Custody Costs

Interactive Brokers generally does not charge clients separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Interactive Brokers account. Interactive Brokers is also compensated by on margin balances maintained in Interactive Brokers’ accounts and certain uninvested cash balances. Interactive Brokers discloses its fees and costs to clients at account opening and we take those costs into account when executing transactions on your behalf.

When we execute trades through a different broker-dealer, but where those same trades are settled in your Interactive Brokers account, you are charged a “prime broker” or “trade away” fee in addition to the routine fees charged in your account. Because of this additional trade away fee we have Interactive Brokers execute most trades for your account to minimum trading costs.

While some mutual funds are made available for no transaction fee (zero commission) through Interactive Brokers, most mutual funds and ETF bought through Interactive Brokers are charged a transaction fee (a commission). Typically, the custodian earns additional remuneration for the funds and ETFs on their no-transaction fee lists from such services as recordkeeping, administration, and platform fees, which generally increases the internal expenses of the investment, and therefore the price to buy them. Avos Capital Management selects investments based on our assessment of several factors, including liquidity, asset exposure, reasonable fees, effective management, and low execution cost. Where we choose a no-transaction fee fund, it is because it has met our criteria in all applicable categories.

Products and Services Available to Avos Capital Management from Interactive Brokers

Interactive Brokers’ institutional platform serves independent investment advisory firms like Avos Capital Management. They provide us and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), some of which are not typically available to Interactive Brokers retail customers. Certain retail investors, though, may be able to get institutional brokerage services from Interactive Brokers without going through us or another advisor. Interactive Brokers also makes available various support services. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. Interactive Brokers’ support services are generally available on an unsolicited basis (we don’t have to ask for them) and at no charge to us. Following is a more detailed description of Interactive Brokers’ support services.

Interactive Brokers’ Services that Benefit Clients

Interactive Brokers’ institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Interactive Brokers include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. These services generally benefit you and your account.

Interactive Brokers’ Services that do not Directly Benefit Clients

Interactive Brokers also makes available to us other products and services that benefit us but do not directly benefit you or your account. These products and services assist us in managing and administering our clients’ accounts and operating our firm, such as investment research. We could use this research to service all or a substantial number of our clients’ accounts, including accounts not maintained at Interactive Brokers. Interactive Brokers also makes available software and other technology that:

- Facilitates trade execution and the allocation of blocked orders for multiple accounts
- Provides access to client account data
- Provide pricing and other market data
- Facilitate payment of Avos Capital Management’s fees directly from your account, if authorized in your advisory agreement

- Assists us with back-office functions, recordkeeping and client reporting

Interactive Brokers' Services that Generally Benefit Only Us

The software, technology, and account access Interactive Brokers provides create an operational and compliance benefit for Avos Capital Management that does not necessarily translate directly into a client benefit. While we believe that Interactive Brokers is quite competitive and provides good value to our clients overall, the efficiencies provided to Avos Capital Management create an incentive for us to recommend Interactive Brokers over other custodians, even though other custodians offer similar services and support. In some cases, this means that clients could pay more for custody and execution through the custodian we recommend than through others. This is a conflict of interest which we mitigate through disclosure. We also review the capacities and costs of Interactive Brokers regularly to ensure that our clients are receiving quality executions and competitive pricing, as well as more intangible service benefits.

Directed Brokerage

Because we execute your investment transactions through the custodian holding your assets, we are effectively requiring that you "direct" your brokerage to your custodian, absent other specific instructions as discussed below. Because we are not choosing brokers on a trade-by-trade basis, we may not be able to achieve the most favorable executions for clients and this may ultimately cost clients more money. Not all investment advisers require directed brokerage.

Although not a routine business practice for Avos Capital Management, we may permit clients to direct us to brokers other than Interactive Brokers. If we agree to accommodate your request to do this, we will likely have little or no ability to negotiate commissions or influence execution price, and you will also not benefit from any trade aggregation we may implement for other clients. This may result in greater costs to you.

We do not use, recommend, or direct activity to brokers in exchange for client referrals.

Aggregated or Block Transactions

We routinely aggregate client transactions with those of other client accounts at Interactive Brokers. This results in client trades being executed and billed at the same price. The commission rates we have negotiated with Interactive Brokers will be applied to each account participating in the transaction.

When we choose to place a block transaction, we issue instructions to purchase a particular number of shares or face amount of a security (usually an exchange traded fund or mutual fund) and all participating clients, and their pro-rated shares of the block are known at the time of the transaction. We generally trade in liquid securities and partial allocations are not a concern under normal market conditions. However, should we not receive the full amount of the requested, we will pro-rate the purchased shares equally across all participating accounts.

Research and Other Soft Dollar Benefits

We do not have any traditional "soft dollar" arrangements in place, in which we agree to direct a certain amount of commission dollars to a specific custodian in exchange for research or other services. Rather,

the services described in this Item 12 are made available to us because we maintain client accounts on the custodian platform.

Many of these services generally may be used to service all or a substantial number of Avos Capital Management's accounts, including accounts not maintained at custodian.

Avos Capital Management use of Interactive Brokers' institutional platform and its services is not contingent upon our firm committing to any specific amount of business (assets in custody or trading commissions) with Interactive Brokers. In some cases, clients could pay more for custody and execution through the custodian we recommend than through others. We review the capacities and costs of custodian regularly to ensure that our clients are receiving quality executions and competitive pricing, as well as more intangible service benefits.

Receipt of the above benefits and services from Interactive Brokers creates a conflict of interest, as this could influence our recommendation of a broker-dealer/custodian for you. We review any recommended custodians on an annual basis to reaffirm the health of each entity, the quality of executions, and the additional services provided by the custodian. We believe our selection of Interactive Brokers as custodian and broker is in the best interest of our clients because of the scope, quality, and price of their services.

Best Execution

In seeking "best execution" for clients, the key factor is not only the lowest possible cost, but also whether the transaction represents the best qualitative execution, taking into account the full range of services, including execution capability, technological processes used for submitted trades and other valuation services. As indicated above, we typically require that clients open brokerage/custodial accounts at Interactive Brokers for us to manage those portfolios. The criteria for recommending a custodian include reasonableness of commissions and other costs of trading, ability to facilitate trades, securities lending needs, access to client records, computer trading support and other operational considerations. These factors will be reviewed from time to time to ensure that the best interests of our clients are upheld.

Item 13. Review of Accounts

All client portfolios are reviewed on an ongoing basis by Joshua Blanchfield, the firm's Chief Investment Officer, to ensure the investments are consistent with the investment objectives, philosophy, strategy, and methodologies. More frequent reviews may be triggered by a change in Client's investment objectives, tax considerations, large deposits or withdrawals, large sales or purchases, or changes in the manager's investment strategy.

We will provide quarterly performance reports to clients. The client's custodial statement is the official record of the account and we urge clients to carefully compare reports we provide to those provided by the custodian and to notify us of any discrepancies.

Item 14. Client Referrals & Other Compensation

We do not have any arrangements in place to compensate third parties for client referrals. We discuss our relationship with our custodian/broker-dealer and the benefits we receive in Item 12 above.

Item 15. Custody

All client funds and securities are maintained with a qualified custodian; we do not take physical possession of client assets. We have the ability to deduct our advisory fees directly from your accounts based on your written authorization to do so, and this ability is technically considered “custody” but does not require separate reporting. We are also deemed to have custody where clients execute standing letters of authorization (“SLOAs”) with their custodian, written directives from the client authorizing us to initiate payments from their custodial accounts to client-specified third parties.

You will receive account statements directly from your custodian at least quarterly. We urge you to carefully compare the custodian’s account statements you receive with any periodic data you receive from us.

Item 16. Investment Discretion

Our investment advisory agreement gives us discretionary authority to make investment decisions for your account, without obtaining your specific consent before each decision. Clients may request reasonable restrictions on our discretionary authority, which will also be captured in the client’s written agreement with us.

Item 17. Voting Client Securities

Avos Capital Management does not have any authority to and does not vote proxies on behalf of any advisory clients. You retain responsibility for receiving and voting proxies for any and all securities maintained in your accounts. If you request, we will provide information or our professional insight into various matters related to your proxies.

Item 18. Financial Information

Avos Capital Management does not have any financial commitment that impairs our ability to meet contractual and fiduciary commitments to our clients. We do not charge any fees in advance. Neither Avos Capital Management nor its management persons have been the subject of a bankruptcy proceeding.