

**Item 1 – Cover Page**



Registered Investment Advisor

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**Form ADV Part 2  
Firm Brochure  
February 16, 2018**

This brochure provides information about the qualifications and business practices of Avenue Retirement Services, LLC. If you have any questions about the contents of this brochure, please contact Mr. Darren Fox at (214) 705-2464 or [info@avenueretirement.com](mailto:info@avenueretirement.com).

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or any state securities administrator. Additional information about the Avenue Retirement Services, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Click on the "Investment Adviser Search" link and then search for "Investment Adviser Firm" using the firm's IARD number, which is 165606.

While the firm and its associates may be registered and/or licensed within a particular jurisdiction, that registration and/or licensing in itself does not imply an endorsement by any regulatory authority, nor does it imply a certain level of skill or training on the part of the firm or its associated personnel.

## **Item 2 - Material Changes**

Avenue Retirement Services, LLC has amended its Form ADV Part 2 from the previous version dated February 17, 2017 due to changes in its reportable assets under management (Item 4) and minimum client account size (Item 7). As with all firm documents, clients and prospective clients are encouraged to review this brochure in its entirety and are encouraged to ask questions at any time prior to or throughout the engagement.

The firm may at any time update this document and either send a copy of its updated brochure or provide a summary of material changes to its brochure and an offer to send an electronic or hard copy form of the updated brochure. Clients are also able to download this brochure from the SEC's Website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or may contact our firm at (214) 705-2464 or [info@avenueretirement.com](mailto:info@avenueretirement.com) to request a copy at any time.

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**Important Information**

Throughout this document Avenue Retirement Services, LLC shall also be referred to as “Avenue Retirement Services,” the “firm,” “our,” “we” or “us.” The client or prospective client may be also referred to as “you,” “your,” etc., and refers to a client engagement involving of a single *person* as well as two or more *persons*. The term “advisor” and “adviser” are used interchangeably where accuracy in identification is necessary (i.e., Internet address, etc.).

## **Item 4 - Advisory Business**

### **Description of the Firm**

Avenue Retirement Services, LLC is a Texas domiciled limited liability company formed in 2012; we are not a subsidiary of nor do we control another financial services industry entity. Mr. Charles Darren Fox is the firm's Managing Member, Designated Officer (supervisor), and majority unitholder (shareholder). Additional information about Mr. Fox may be found in Item 19 of this brochure.

### **Description of Advisory Services Offered**

Avenue Retirement Services provides a broad range of advisory solutions to its clients. For those interested in areas such as cash flow and budgeting, education funding, retirement planning, risk management, estate planning, tax planning, business consulting, as well as periodic investment advice, it offers its *financial planning and investment consultation services*. The firm also provides ongoing and continuous supervision of clients' portfolios through its own *investment supervisory services* offering.

Typically we will begin by conducting an introductory interview to determine the scope of services for your engagement. During or prior to your first meeting, you will be provided with a current Form ADV Part 2 advisory brochure<sup>1</sup> that incorporates our privacy policy. The firm will also ensure any material conflicts of interest are disclosed that could be reasonably expected to impair the rendering of unbiased and objective advice.

Should you wish to engage Avenue Retirement Services for its services, we must first enter into a written agreement (our client services agreement); thereafter, discussion and analysis will be conducted to determine your financial needs, goals, holdings, etc.

Depending on the scope of the engagement, you may be asked to provide current copies of the following documents early in the process:

- Wills, codicils and trusts
- Insurance policies
- Mortgage information
- Tax returns
- Current financial specifics including W-2s or 1099s
- Information on current retirement plans and benefits provided by your employer
- Statements reflecting current investments in retirement and non-retirement accounts
- Employment or other business agreements you may have in place
- Completed risk profile questionnaires or other forms provided by our firm

It is important that the information and financial statements you provide is accurate. The firm may, but is not obligated to, verify the information you have provided, which will then be used in the financial planning or investment advisory process.

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<sup>1</sup> The firm provides requisite principal executive information within Item 19 that might otherwise be found in Form ADV Part 2B.

## ***Financial Planning and Investment Consultation Services***

Financial planning and investment consultation services may be as broad-based or narrowly focused as you desire. The incorporation of most or all of the listed components allows not only a more thorough analysis but also a comprehensive view of your plans to assist you in reaching your goals and objectives.

### **Cash Flow Analysis and Debt Management**

A review of your income and expenses will be conducted to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used, or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. Recommendation may also be made with respect to appropriate cash reserves for emergencies and other financial goals, and a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.

### **Risk Management**

A risk management review includes an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance ("self-insuring").

### **Employee Benefits**

We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible in your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.

### **Retirement Planning**

Retirement planning services typically include projections of your likelihood of achieving your financial goals, with financial independence usually the primary objective. For situations where projections show less than the desired results, a recommendation may include showing you the impact on those projections by making changes in certain variables (i.e., working longer, saving more, spending less, taking more risk with investments). If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.

### **Tax Planning Strategies**

Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their "tax efficiency," with consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation.

### **Education Planning**

College funding advice may include projecting the amount that will be needed to achieve post-secondary education funding goals, along with savings strategies and the "pros-and-cons" of various college savings vehicles that are available.

### Estate Planning

Review and advice usually involves an analysis of your exposure to estate taxes and your current estate plan; determining whether you have a will, powers of attorney, trusts and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts.

We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire someone for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

### Business Consultation

Avenue Retirement Services is available to assist businesses in a variety of ways to include business strategy, practice management, general financial advice, debt management, as well as assisting you with matters involving coordination with your financial institution, attorney or accountant.

### Investment Consultation

Our investment consultation services may involve providing information on the types of investment vehicles available, employee retirement plans and/or stock options, investment analysis and strategies, asset selection and portfolio design, as well as assisting you with your investment account if it is maintained at another broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.

### Periodic Review

We strongly urge our clients to notify us of any change in their circumstances, and to schedule a review any time there is such a change. An annual review should be considered even if there is not a substantial change, because tax laws, estate laws, and investment vehicles are rapidly evolving. Additional information may be found in Item 13.

### **Educational Workshops**

Avenue Retirement Services offers periodic financial educational sessions for those desiring general advice on personal finance and investing. Topics may include issues related to financial planning, college funding, estate planning, retirement strategies, or various other economic and investment topics.

Our workshops are educational in nature and do not involve the sale of insurance or investment products. Information presented will not be based on any one person's need nor do we provide individualized investment advice to attendees during our general sessions.

### **Investment Supervisory Services**

You may also engage our firm to implement investment strategies that we have recommended to you. Depending on your risk profile, goals and needs, among other considerations, your portfolio will involve the employment of one of our investment strategies as well as either a broad range or more narrowly focused choice of investment vehicles as described in further detail in Item 8 of this brochure.

Our investment supervisory services accounts are typically managed on a discretionary basis (defined in Item 16), and generally include the following:

- Investment strategy,
- Asset allocation,
- Asset selection,
- Risk tolerance,
- Regular monitoring, and
- Periodic rebalancing.

Where appropriate, we will prepare an investment policy statement (IPS) or similar document reflecting your investment objectives, time horizon, tolerance for risk, as well as any account constraints you may have for the portfolio. Your IPS will be designed to be specific enough to provide future guidance while allowing flexibility to work with changing market conditions. Since the IPS, to a large extent, will be a product of information and data you have provided, you will be responsible for reviewing and providing final approval of the document/plan.

#### Client-Tailored Services and Client-Imposed Restrictions

##### ***Broad-Based v. Modular Planning***

A broad-based plan is an endeavor that requires detail, therefore, certain variables can affect the development of the plan: the quality of your own records, complexity and number of current investments, diversity of insurance products and employee benefits you currently hold, size of the potential estate, special needs of the client or their dependents, among others. Also note that when our services focus only on certain areas of your interest or need, your overall situation or needs may not be fully addressed due to limitations you may have established.

Whether we have created a broad-based or modular plan, we will present you with a summary of our recommendations, guide you in the implementation of some or all of them, as well as offer you periodic reviews thereafter (see Item 13).

Unless stated otherwise in your agreement with our firm, upon completion of our presentation or delivery of advice, our financial planning and investment consultation engagement is typically concluded. We recommend that you return for periodic reviews.

In all instances involving our financial planning and investment consultation services, our clients retain full discretion over all implementation decisions and are free to accept or reject any recommendation we make.

##### ***Investment Account Restrictions***

As noted in your IPS or similar document, we will account for any reasonable restrictions you may require for the management of your investment account(s). For example, a client may prefer to avoid or require certain types of holdings (e.g., "sin stocks," international or small cap stocks, etc.) in their portfolio.

It remains your responsibility to promptly notify us if there is any change in your financial situation and/or investment objectives for the purpose of our reviewing, evaluating or revising previous account restrictions or firm investment recommendations.



### Wrap Fee Programs

Our firm does not sponsor or serve as a portfolio manager in any investment program involving wrapped fees.

### Client Assets Under Management

We had approximately \$6.2 million of reportable client assets under our management<sup>2</sup> on a discretionary basis as of December 31, 2017.

### General Information

Avenue Retirement Services, LLC does not provide legal, accounting or insurance services. With your consent, we may work with your other professional advisors to assist with coordination and implementation of accepted strategies. You should be aware that these other advisors will charge you separately for their services and these fees will be in addition to our own advisory fees.

Our firm will use its best judgment and good faith effort in rendering its services. We cannot warrant or guarantee any particular level of account performance or that your account will be profitable over time. Past performance is not necessarily indicative of future results.

Except as may otherwise be provided by law, our firm will not be liable to the client, heirs, or assignees for any loss an account may suffer by reason of an investment decision made or other action taken or omitted in good faith by our firm with that degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; any loss arising from our adherence to your direction or that of your legal agent; any act or failure to act by a service provider maintaining an account.

Federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith and, therefore, nothing contained in this document shall constitute a waiver of any rights that a client may have under federal and state securities laws.

## **Item 5 - Fees and Compensation**

### Method of Compensation and Fee Schedule

We believe financial planning is an integral part of your investment plan. Accordingly, these services and associated costs are incorporated into our fixed and asset-based fee structure (described in the following sections). The fee will take into consideration factors such as the complexity of your financial profile, asset value of the overall portfolio, number of individual accounts comprising a portfolio, whether you or our firm will implement transactions for the account(s), among other factors.

### ***Fixed Fees***

#### *Investment Consultation Services*

We provide our investment consultation services on a retainer fee basis for those accounts maintained at a custodian of record other than our own (see Item 12). This type of engagement normally involves retirement plan participants or other client investment accounts “held away.” The fee is \$125 per quarter, and is paid in arrears. At the discretion of the firm’s principal, consultation fees may be discounted or waived for asset management clients.

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<sup>2</sup> The term “assets under management” and rounding to the nearest \$100,000 are as defined by the SEC’s 2010 *General Instructions for Part 2 of Form ADV*.

### Business Consultation Services

Our business consultation services are assessed a fixed fee ranging from \$2,000 to \$50,000 per year; paid in arrears either monthly or quarterly in installments. Fees will be determined by the complexity of the engagement, time involved, and frequency of meetings and/or reviews, among other considerations.

### Educational Workshops

Our workshop engagements are generally *pro bono* in nature. In the event there is a charge for a workshop, it is anticipated to be paid by the engagement sponsor, such as an employer or association. Fees for these events are typically a nominal fixed amount and/or cost of workshop materials, and would be negotiated with the sponsor in advance of the presentation.

### **Asset-Based Fees**

Fees for our investment supervisory services clients are assessed an annualized asset-based fee that will be calculated based on the reporting period ending value of your account. These fees will be billed to your account monthly, in arrears, as described in the following table.

<b>Assets Under Management</b>	<b>Annualized Asset-Based Fee</b>	<b>Monthly Asset-Based Fee</b>
\$0 - \$49,999	1.75% (175 basis points)	0.145830% (14.5830 basis points)
\$50,000 - \$249,999	1.5% (150 basis points)	0.125000% (12.5000 basis points)
\$250,000 - \$499,999	1.25% (125 basis points)	0.104167% (10.4167 basis points)
\$500,000 - \$999,999	1.00% (100 basis points)	0.083000% (08.3000 basis points)
\$1,000,000++	0.75% (075 basis points)	0.062500% (06.2500 basis points)

For the benefit of discounting your asset-based fee, we may aggregate investment supervisory services accounts for the same individual or two or more accounts within the same family, or accounts where a family member has power of attorney over another family member's or incompetent person's account. Should investment objectives be substantially different for any two or more household accounts, requiring different investment approaches or operational requirements, we reserve the right to apply our fee schedule separately to each account.

### **Negotiable Fees**

The services to be provided to you and their specific fees will be detailed in your engagement agreement. Our published fees may be discounted by our firm but they are not negotiable.

We strive to offer fees that are fair and reasonable in light of the experience of the firm and the services to be rendered to our clients; similar services may be made available from other providers and potentially at a lower fee.

### Client Payment of Fees

#### **Fixed Fees**

Fees may be paid by check or cashier's draft from a US-based bank, or a single transaction credit card payment through a qualified intermediary. If appropriate for your engagement and approved by your custodian, we may invoice your account "held away" at your custodian of record. We do not accept cash or similar forms of payment for our engagements.

Investment and/or business consultation fees are paid quarterly, in arrears. Workshop fees, if any, are due in full upon invoice and typically following the scheduled session(s).

### ***Asset-Based Fees***

Annualized asset-based fees will be billed monthly, in arrears. Your first billing cycle will begin once your agreement is executed with our firm and your assets have settled into your account held by the custodian of record. Fees for partial quarters will be prorated based on the remaining days in the reporting period in which the firm services the account. Fee payments will generally be assessed within 10 days of each billing cycle.

Accounts will be valued in accordance with the values disclosed on the statement the client receives from the custodian for the purpose of verifying the computation of the advisory fee. In the absence of a reportable market value, our firm may seek an independent third-party opinion or a good faith determination by a qualified associate.

Our firm will concurrently send you and the custodian of record a written notice (“invoice”) each period that describes the fees to be deducted from your account. The notice will include the total fee assessed, covered time period, calculation formula utilized, and reference to the assets under management in which the fee had been based. All fees deducted will be clearly noted on account statements that you will receive from the custodian of record on a quarterly or more frequent basis.

By signing our firm’s engagement agreement, as well as the selected custodian account opening documents, you will be authorizing the withdrawal of both advisory and transactional fees (see following section) from your account. The withdrawal of these fees will be accomplished by the selected custodian, not by our firm, and the custodian will remit our fees directly to our firm. Please note that you share in the responsibility to verify the accuracy of fee calculations; the custodian may not verify the accuracy for you.

### **Additional Client Fees**

Any transactional or service fees (sometimes termed *brokerage fees*) assessed by a selected service provider (i.e., a custodian), individual retirement account fees, qualified retirement plan or account termination fees will be borne by the accountholder and are per those provided in current, separate fee schedules of any selected service provider.

Fees paid by our clients to our firm for our advisory services are separate from any transactional charges a client may pay, as well as those for mutual funds, exchange-traded funds (ETFs), exchange-traded notes (ETNs), index mutual funds, or other investments of this type.

Interest at 10% per year may be assessed on our advisory fee balances that are more than 60 days past due. Further, we reserve the right to suspend our advisory services once an account is deemed past due.

Additional information about our fees in relationship to our business practices are noted in Items 12 and 14 of this document.

### **Charged Prepayment of Client Fees**

#### ***Advance Payment for Certain Services***

We do not require an advance payment for our services.

#### ***Termination of Services***

Either party may terminate the agreement at any time, which will typically be in writing. Should you verbally notify our firm of the termination and, if in two business days following this notification we have not

received your notice in writing, we will make a written notice of the termination in our records and send you our own termination notice as a substitute.

If our Form ADV Part 2 brochure was not delivered to you at least 48 hours prior to entering into the investment advisory contract, then you have the right to terminate the engagement without penalty within five business days after entering into the agreement. Should you terminate an engagement after this time period, you may be assessed fees for any time or charges incurred by our firm in the preparation of your plan or investment allocation. Should there be any, we will promptly return any prepaid, unearned amount upon receipt of termination notice.

For those clients who utilize our investment supervisory services, our firm will not be responsible for future allocations, investment advice or transactional services upon receipt of a termination notice. Upon termination of our agreement, it will also be necessary that we inform the custodian of record that the relationship between the firm and the client has been terminated.

#### External Compensation for the Sale of Securities to Clients

Our firm is engaged for fee-only services and we attempt to recommend “no load” investments whenever practical. We do not charge or receive a commission or mark-up on your securities transactions, nor will the firm or an associate be paid a commission on your purchase of a securities holding that we recommend.

We do not receive “trailer” or SEC Rule 12b-1 fees from an investment company we may recommend. Fees charged by issuers are detailed in prospectuses or product descriptions and you are encouraged to read these documents before investing. Our firm and its associates receive none of these described or similar fees or charges.

You will always have the option to purchase recommended or similar investments through your own selected service provider.

#### **Item 6 - Performance-Based Fees and Side-By-Side Management**

Our fees will not be based upon a share of capital gains or capital appreciation (growth) of any portion of managed funds, also known as “performance-based fees.” Performance-based compensation creates an incentive for a firm or their representatives to recommend an investment that may carry a higher degree of risk to a client. We do not use a performance-based fee structure because of the conflict of interest this type of fee structure poses.

Our fees will not be based on side-by-side management, which refers to a firm simultaneously managing accounts that do pay performance-based fees (such as a hedge fund) and those that do not; this type of arrangement, and the conflict of interest it may pose, does not conform to our firm’s practices.

#### **Item 7 - Types of Clients**

Avenue Retirement Services provides advisory services to individuals, trusts, estates, as well as businesses of various scale.

We suggest a minimum of \$25,000 in household assets under our management as a prerequisite for engaging the firm’s advisory services. We reserve the right to waive or reduce this minimum asset level, as well as certain fees, based on unique individual circumstances, special arrangements, or pre-existing relationships. We also reserve the right to decline services to any prospective client for any non-discriminatory reason.

## **Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss**

### **Methods of Analysis and Investment Strategies**

#### ***Method of Analysis***

Avenue Retirement Services employs a blend of charting, cyclical, fundamental, and technical analyses to determine the types of securities for your portfolio, as well as the time to acquire or divest of the security.

We analyze individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

We gather and process price and volume information for a particular security, which is then mathematically analyzed, and the resulting data is applied to graphing charts to assist us in predicting its future price movements based on its patterns and trends. We also evaluate both current and past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks to assist us in determining the appropriate times to enter (or withdraw) from markets.

Our recommendations may also be drawn from research sources that include economists and other industry professionals, financial periodicals and reference materials, corporate rating services, company press releases, annual reports, prospectuses and regulatory filings.

We make asset allocation and investment policy decisions based on these and other factors. We will discuss with you how, in our best judgment, to meet your objectives while at the same time seeking a prudent level of risk exposure.

#### ***Investment Strategies***

We recognize that each client's needs and goals are different, therefore, recommended investment strategies and underlying investment vehicles may vary. However, we generally ascribe to an active asset management strategy; applying what we believe to be an appropriate balance between asset allocation, sector rotation and risk management techniques to potentially create a profit through identifying or leveraging mispriced securities.

Portfolio holdings typically include U.S. common stocks, ETFs and ETNs, indexed funds, bond mutual funds, and real estate investment trusts (REITs). We may also offer guidance with respect to certificates of deposit and money market funds.<sup>3</sup>

### **Investment Strategy and Method of Analysis Material Risks**

#### ***Investment Strategy Risks***

We believe our strategies and investment recommendations are designed to produce the appropriate potential return for the given level of risk; however, we cannot guarantee that an investment objective or

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<sup>3</sup> Avenue Retirement Services, LLC may recommend but does not purchase and/or distribute certificates of deposits, money market accounts or similar savings vehicles. Avenue Retirement Services, LLC is not a financial institution, is not a member of the Federal Deposit Insurance Corporation (FDIC) or National Credit Union Association (NCUA), nor is required to be an FDIC or NCUA member. You may learn more about the FDIC or NCUA and how they serve financial institution depositors/members by going to their website at [www.fdic.gov](http://www.fdic.gov) or [www.ncua.gov](http://www.ncua.gov). Securities recommended through our advisory firm are not FDIC or NCUA/NCUSIF-insured.

planning goal will be achieved. As an investor you must be able to bear the risk of loss that is associated with your account, which may include the loss of some or your entire principal. In general, risks include the following examples:

*Active Management Strategy Risks* – In an effort to meet or surpass stated benchmarks, active portfolio management may require more frequent trading or “turnover.” This may result in shorter holding periods, higher transactional costs and/or taxable events generally borne by the client, thereby potentially reducing or negating certain benefits of active asset management.

*Charting and Technical Analysis* – The risk of investing based on technical analyses and their supporting charts is that they may not consistently predict a future price movement; the current price of a security may reflect all known information. Further, a particular change in the market price of a security may follow a random pattern and may not be as predictable as desired.

*Company Risk* – When investing in securities, there is always a certain level of company or industry-specific risk that is inherent in each company or issuer. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. This is also referred to as *unsystematic risk* and may be avoided through appropriate diversification.

*Cyclical Analysis* – An economic cycle may not be as predictable as preferred; many fluctuations may occur between long term expansions and contractions. The length of an economic cycle may be difficult to predict with accuracy and therefore the risk of cyclical analyses is the difficulty in predicting economic trends. Consequently, the changing value of securities is affected.

*Financial Risk* – Excessive borrowing to finance a business operation increases profitability risk because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

*Fundamental Analysis* – The risk involved in employing fundamental analysis is that information obtained may be incorrect; the analysis may not provide an accurate estimate of earnings, which may be the basis for a security’s value. If a security’s price adjusts rapidly to new information, a fundamental analysis may result in unfavorable performance.

*Inflation Risk* – When any type of inflation is present, a dollar today will not buy as much as a dollar next year because purchasing power is eroding at the rate of inflation.

*Management Risk* – An investment with a firm varies with the success and failure of its investment strategies, research, analysis and determination of its portfolio. If an investment strategy were not to produce expected returns, the value of the investment would decrease.

*Market Risk* – When the stock market as a whole or an industry as a whole falls, it can cause the prices of individual stocks to fall indiscriminately. This is also called *systemic* or *systematic* risk.

*Research Data* – When research and analyses are based on commercially available software, rating services, general market and financial information, or due diligence reviews, a firm is relying on the accuracy and validity of the information or capabilities provided by selected vendors, rating services, market data, and the issuers themselves. Therefore, while our firm makes every effort to determine the accuracy of the information received, we cannot predict the outcome of events or actions taken or not taken, or the validity of all information researched or provided which may or may not affect the advice on or investment management of an account.

*Socially Conscious Investing* – If you require your portfolio to be invested according to socially conscious principles, you should note that returns on investments of this type may be limited and because of this limitation you may not be able to be as well diversified among various asset classes. The number of publicly traded companies that meet socially conscious investment parameters is also limited, and due to this limitation, there is a probability of similarity or overlap of holdings, especially among socially conscious mutual funds or ETFs. Therefore, there could be a more pronounced positive or negative impact on a socially conscious portfolio, which could be more volatile than a fully diversified portfolio.

### Security-Specific Material Risks

#### ***ETF/ETN and Mutual Funds***

ETFs/ETNs and mutual funds may carry additional expenses based on their share of operating expenses and certain brokerage fees, which may result in the potential duplication of certain fees. The risk of owning these types of holdings also reflects the risks of their underlying securities.

#### ***Fixed Income***

Various forms of fixed income instruments, such as bonds, money market funds, bond funds, and certificates of deposit, may be affected by various forms of risk, including:

*Credit Risk* - The potential risk that an issuer would be unable to pay scheduled interest or repay principal at maturity, sometimes referred to as “default risk.” Credit risk may also occur when an issuer’s ability to make payments of principal and interest when due is interrupted. This may result in a negative impact on all forms of debt instruments, as well as funds or ETF share values that hold these issues. Bondholders are creditors of an issuer and typically have priority to assets before equity holders (i.e., stockholders) when receiving a payout from liquidation or restructuring. When defaults occur due to bankruptcy, the type of bond held will determine seniority of payment.

*Duration Risk* - Duration is a measure of a bond’s volatility, expressed in years to be repaid by its internal cash flow (interest payments). Bonds with longer durations carry more risk and have higher price volatility than bonds with shorter durations.

*Interest Rate Risk* - The risk that the value of the fixed income holding will decrease because of an increase in interest rates.

*Liquidity Risk* - The inability to readily buy or sell an investment for a price close to the true underlying value of the asset due to a lack of buyers or sellers. While certain types of fixed income are generally liquid (i.e., bonds), there are risks which may occur such as when an issue trading in any given period does not readily support buys and sells at an efficient price. Conversely, when trading volume is high, there is also a risk of not being able to purchase a particular issue at the desired price.

*Reinvestment Risk* – With declining interest rates, investors may have to reinvest interest income or principal at a lower rate.

#### ***Index Investing***

ETFs and indexed funds have the potential to be affected by “active risk” or “tracking error risk;” which might be defined as a deviation from the stated benchmark. Since the holding’s core attempts to closely replicate a stated benchmark, the source of the tracking error or deviation may come from a satellite

position, or from a “sample” or “optimized” index fund or ETF that may not as closely align the stated benchmark.

### ***QDI Ratios***

While many ETFs, ETNs, and index mutual funds are known for their potential tax-efficiency and higher “qualified dividend income” (QDI) percentages, there are asset classes within these investment vehicles or holding periods within that may not benefit. Shorter holding periods, as well as commodities and currencies (that may be part of an ETF/ETN or mutual fund portfolio), may be considered “non-qualified” under certain tax code provisions. We consider a holding’s QDI when tax-efficiency is an important aspect of the client’s portfolio.

### ***REITs***

Risks involved in REIT investing may include (i) following the sale or distribution of assets an investor may receive less than their principal invested, (ii) a lack of a public market in certain issues, (iii) limited liquidity and transferability, (iv) a fluctuation of value of the assets within the REIT, (v) reliance on the investment manager to select and manage assets, (vi) changes in interest rates, laws, operating expenses, and insurance costs, (vii) tenant turnover, and (viii) current market conditions that may make REITs less desirable.

### **Item 9 - Disciplinary Information**

Neither the firm nor any member of its management has been involved in a material criminal or civil action in a domestic, foreign or military jurisdiction, an administrative enforcement action, or self-regulatory organization proceeding that would reflect poorly upon our firm’s advisory business or the integrity of our firm.

### **Item 10 - Other Financial Industry Activities and Affiliations**

Our policies require the firm and any associated person to conduct business activities in a manner that avoids conflicts of interest between the firm and its clients, or that may be contrary to law. We will provide disclosure to each client prior to and throughout the term of an engagement regarding any conflicts of interest which might reasonably compromise our impartiality or independence.

### **Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

Neither Avenue Retirement Services, LLC, firm management nor an associate is registered or has an application pending to register as a Financial Industry Regulatory Authority (FINRA) or National Futures Association (NFA) introducing broker/ dealer, or as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities. In addition, neither the firm nor its management is or has a material relationship with any of the following types of entities:

- municipal securities dealer, or government securities dealer or broker
- financial institution, such as a bank or credit union
- accountant or an accounting firm
- lawyer or law firm
- insurance company or agency
- pension consultant
- sponsor or syndicator of limited partnerships



- investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)

Upon your request, we may provide referrals to various professionals, such as an accountant or attorney. While these referrals are based on our best information, we do not guarantee the quality or adequacy of the work provided by these referred professionals. We do not have an agreement with or receive fees from these professionals for these informal referrals. Any fees charged by these other entities for their services are completely separate from fees charged by our firm.

#### Recommendation or Selection of Other Investment Advisers and Conflicts of Interest

While it is not our practice to do so, should we ever provide you with a recommendation to an unaffiliated registered investment advisor, we will first ensure we have conducted what we believe is an appropriate level of due diligence on the recommended advisor including ensuring their firm is appropriately registered or notice-filed within your jurisdiction. Please note that we are not paid for this referral nor do we share in any fees these firms may receive in managing your account.

#### **Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Avenue Retirement Services, LLC believes that its business methodologies, ethics rules, and adopted policies are appropriate to eliminate or at least minimize potential material conflicts of interest and to appropriately manage any material conflicts of interest that may remain. Clients should be aware that no set of rules can possibly anticipate or relieve all potential material conflicts of interest. Our firm will disclose to advisory clients any material conflict of interest relating to the firm, its representatives, or any of its employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

#### Code of Ethics Description

The firm holds itself to a *fiduciary standard*, which means we will act in the utmost good faith; performing in a manner believed to be in the best interest of its clients. We have adopted a Code of Ethics that establishes policies for ethical conduct for its personnel. Our firm accepts the obligation not only to comply with all applicable laws and regulations but also to act in an ethical and professionally responsible manner in all professional services and activities. Firm policies include prohibitions against insider trading, circulation of industry rumors, and certain political contributions, among others.

The firm periodically reviews and amends its Code of Ethics to ensure that it remains current, and requires access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. A copy of the firm’s Code of Ethics is made available to any client or prospective client upon request.

#### Privacy Policy Statement

Avenue Retirement Services, LLC respects the privacy of all clients and prospective clients (“customers”), both past and present. It is recognized that you have entrusted the firm with non-public personal information and it is important that both access persons and customers are aware of firm policy concerning what may be done with that information.

The firm collects personal information about customers from the following sources:

- Information clients provide to complete their financial plan or investment recommendation;

- Information clients provide in engagement agreements, account applications, and other documents completed in connection with the opening and maintenance of their accounts;
- Information customers provide verbally; and
- Information received from service providers, such as custodians, about client transactions.

The firm does not disclose non-public personal information about our customers to anyone, except in the following circumstances:

- When required to provide services our clients have requested;
- When our customers have specifically authorized us to do so;
- When required during the course of a firm assessment (i.e., independent audit); or
- When permitted or required by law (i.e., periodic regulatory examination).

Within the firm, access is restricted to customer information to staff that need to know that information. All access persons and service providers understand that everything handled in firm offices are confidential and they are instructed to not discuss customer information with someone else that may request information about an account unless they are specifically authorized in writing by the customer to do so. This includes, for example, providing information about a spouse's IRA account or to adult children about parents' accounts, etc.

To ensure security and confidentiality, the firm maintains physical, electronic, and procedural safeguards to protect the privacy of customer information.

The firm will provide you with its privacy policy on an annual basis per federal law and at any time, in advance, if firm privacy policies are expected to change.

#### Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest

Neither the firm nor an associate is authorized to recommend to a client, or effect a transaction for a client, involving any security in which the firm or a "related person" (e.g., associate, an immediate family member, etc.) has a material financial interest, such as in the capacity as an underwriter or advisor to an issuer of securities, etc.

An associate is prohibited from borrowing from or lending to a client unless the client is an approved financial institution.

The firm is able to provide a broad range of services to its clients, including financial planning, investment consultation, and investment supervisory services. A fee for some or all of these services may be paid to the firm and, therefore, a potential conflict of interest may exist. We note that you are under no obligation to act on a recommendation and, if you elect to do so, you are under no obligation to complete all of them through our firm or a service provider whom we may recommend.

#### Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

Avenue Retirement Services, LLC does not trade for its own account (e.g., proprietary trading). The firm's related persons may buy or sell securities that are the same as, similar to, or different from, those recommended to clients for their accounts. A recommendation made to one client may be different in nature or in timing from a recommendation made to a different client; clients often have different objectives and risk tolerances. At no time, however, will the firm or a related person receive preferential treatment over a client.

In an effort to reduce or eliminate certain conflicts of interest involving personal trading (i.e., trading ahead of a client's order, etc.), firm policy requires the restriction or prohibition of related parties' transactions in specific securities. Any exceptions or trading pre-clearance must be approved by the firm in advance of the transaction in a related person's account, and the firm maintains required personal securities transaction records per regulation.

#### Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest

See responses in the section *Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest*.

#### **Item 12 - Brokerage Practices**

##### Factors Used to Select Broker-Dealers for Client Transactions

Avenue Retirement Services, LLC does not maintain physical custody of your assets (see Item 15). Your account must be maintained by a qualified custodian (generally a broker/dealer, bank or trust company) that is frequently reviewed for its capabilities to serve in that capacity by their respective industry regulatory authority. Our firm is not a custodian nor is there an affiliate that is a custodian.

When engaged to provide investment consultation services, the firm may recommend the service provider with whom your assets are currently maintained. Should you prefer a new service provider, a recommendation made by the firm would be based on your needs, overall cost, and ease of use.

If you have engaged the firm to provide its investment supervisory services, we require clients use the institutional services division of Scottrade, Inc. ("Scottrade"), a FINRA and SIPC member,<sup>4</sup> and a SEC-registered broker/dealer. Our firm is independently owned and operated; it is not affiliated with Scottrade.

While we recommend that you use Scottrade as your custodian, you will decide whether to do so and will open your account with them by entering into an account agreement directly with them. We do not technically open the account for you, although we will assist you in doing so.

If you do not wish to place your assets with Scottrade as the custodian of record, we will not be able to manage your account under our investment supervisory services engagement and it may be necessary to engage our firm under another form of advisory service (e.g., investment consultation services).

Scottrade offers independent investment advisors various services which include custody of client assets, trade execution, clearance and settlement, etc. Our firm may receive certain benefits from Scottrade through participation in its independent advisor support program (refer to Item 14 for further details). We periodically conduct an assessment of any service provider we recommend (including Scottrade) which generally involves a review of their range and quality of services, reasonableness of fees, among other items, and in comparison to their industry peers.

#### Best Execution

"Best execution" means the most favorable terms for a transaction based on all relevant factors, including those listed in the paragraph titled *Factors Used to Select Broker-Dealers for Client Transactions* and within

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<sup>4</sup> Our firm is not, nor required to be, a FINRA or Securities Investor Protection Corporation (SIPC) member. You may learn more about the SIPC and how it serves member firms and the investing public by going to their website at <http://www.sipc.org>.

Item 14. We recognize our obligation in seeking best execution for our clients, however, it is our belief that the determinative factor is not always the lowest possible cost but whether the selected service provider's transactions represent the best "qualitative execution" while taking into consideration the full range of services provided. Therefore, we will seek services involving competitive rates but it may not necessarily correlate into the lowest possible rate for each transaction.

We have determined that having our firm's investment supervisory services accounts' trades executed through Scottrade is consistent with our duty to seek best execution of your trades. We also periodically review policies regarding our recommending custodians to our clients in light of our duty to seek best execution.

#### Directed Brokerage

We do not require or engage in directed brokerage involving our client's accounts.

You may direct our firm to use another stated broker/dealer to execute some or all transactions for your account. In these circumstances, you will be responsible for negotiating, in advance, the terms and/or arrangements for your account with your selected broker/dealer.

We will not be obligated to seek better execution services or prices from these other broker/dealers, or able to aggregate your transactions (should we choose to do so) for execution through other broker/dealers with orders for other accounts managed by our firm. As a result, you may pay higher commissions or other transaction costs, experience greater spreads, or receive less favorable net prices, on transactions for your account than would otherwise be the case.

Pursuant to our obligation of best execution, we may decline a request to direct brokerage if we believe any directed brokerage arrangement would result in additional operational difficulties or risk to our firm.

#### Aggregating Securities Transactions

Whenever practical, transactions for our clients will generally be completed at the same time, often termed "aggregated" or "batched" orders. We may, but are not obligated to, aggregate orders in an attempt to obtain better execution, negotiate favorable transaction rates, or to allocate equitably among our client accounts should there be differences in prices and other transaction costs that might have been obtained had such orders been separately placed. We do not receive any additional compensation or remuneration as a result of aggregated transactions.

Transaction commission prices charged by custodians may vary due to trading block size and/or confirmation receipt method. To the extent that the firm determines it will aggregate client orders for the purchase or sale of securities, including securities in which a firm related party may invest, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sales orders placed for each client account on any given day.

Please note that when trade aggregation is not allowed or infeasible and necessitates individual transactions (e.g., withdrawal or liquidation requests, odd-lot trades, non-discretionary accounts, etc.), an account may potentially be assessed higher costs or less favorable prices than those where aggregation has occurred.

We review both our trade aggregation procedures and allocation processes on a periodic basis to ensure they remain within stated policies and regulation. We will inform you, in advance, should our trade aggregation and allocation practices change at any point in the future.

## Trade Errors

The firm corrects its trade errors through an account maintained by its selected custodian, and the firm may be responsible for trading error losses that occur within a client account. Should there be a gain following a correction of a trading error, the client account will typically retain trading error correction gains.

## **Item 13 - Review of Accounts**

### Schedule for Periodic Review of Client Accounts and Advisory Persons Involved

#### ***Financial Planning and Investment Consultation Services***

You should contact our firm for additional reviews when you anticipate or have experienced changes in your financial situation (i.e., changes in employment, an inheritance, the birth of a new child, etc.).

Periodic financial check-ups or reviews are recommended if you are receiving our financial planning and investment consultation services, and we recommend that they occur at least on an annual basis whenever practical.

Reviews will be conducted by Mr. Fox and normally involve analysis and possible revision of your previous plan or investment allocation. A copy of revised plans or asset allocation reports will be provided to the client upon request.

#### ***Investment Supervisory Services***

Investment supervisory services accounts are reviewed on a periodic basis, typically quarterly or more frequently when necessary. Client reviews are completed by Mr. Fox, and a copy of revised IPS or asset allocation reports will be provided to the client upon request.

### Review of Client Accounts on Non-Periodic Basis

#### ***Financial Planning and Investment Consultation Services***

You are free to contact our firm for additional reviews when there are material changes that occur in your financial situation or should you prefer to change requirements involving your account.

Non-periodic reviews are generally conducted by Mr. Fox, under a new or amended agreement, and will be assessed at our published rate. A copy of revised plans or asset allocation reports will be provided to the client upon request.

#### ***Investment Supervisory Services***

Additional reviews by Mr. Fox may be triggered by news or research related to a specific holding, a change in our view of the investment merits of a holding, or news related to the macroeconomic climate affecting a sector or holding within that sector.

Accounts may be reviewed for an additional holding or when an increase in a current position is under consideration.

Account cash levels above or below what we deem appropriate for the investment environment, given the client's stated tolerance for risk and investment objectives, may also trigger a review.

## Content of Client Provided Reports and Frequency

Whether you have opened and maintained an investment account on your own or with our assistance, you will receive account statements sent directly from mutual fund companies, transfer agents, custodians or brokerage companies where your investments are held. We urge you to carefully review these statements for accuracy and clarity, and to ask questions when something is not clear.

Our firm may provide portfolio allocation “snapshots” if we are engaged to provide periodic investment advice; however, we do not provide ongoing performance reporting under our financial planning and investment consultation services engagements.

For investment supervisory services accounts, our firm may provide quarterly reports or position performance summary reports, and annual realized gains/loss reports for taxable accounts. Some of our clients may receive additional reports via custodian reporting systems depending on their specific requirements.

All firm performance reports (if any are provided) will be prepared in accordance with appropriate jurisdictional guidance. Clients are urged to carefully review and compare account statements that they have received directly from their service provider with any performance report received from our firm.

## **Item 14 - Client Referrals and Other Compensation**

### Economic Benefit from External Sources and Potential Conflicts of Interest

As disclosed in Item 12, we may receive economic benefit from Scottrade in the form of various products and services they make available to our firm and other independent investment advisors that may not be typically available to a “retail investor.” These benefits may include the following products and services (provided either without cost or at a discount):

- receipt of duplicate client statements and confirmations
- research related products and tools
- access to trading desks serving our clients
- access to block trading which allows our firm to aggregate securities transactions for execution and then allocate the appropriate shares to our client’s accounts
- the ability to have advisory fees deducted directly from our client’s accounts per our written agreement
- resource information related to capital markets and various investments
- access to an electronic communications networks for client order entry and account information
- access to mutual funds with no transaction fees and to certain third-party investment managers
- discounts on marketing, research, technology, and practice management products or services provided to our firm by third party vendors

Some of the noted products and services made available by Scottrade may benefit our firm but may not directly benefit a client account, and certain research and other previously referenced services may qualify as “brokerage or research services” under Section 28(e) of the Securities Exchange Act of 1934. The availability of these services from Scottrade benefits our firm because it does not have to produce or purchase them as long as our clients maintain assets in accounts at Scottrade. Therefore, there is an appearance of a conflict of interest since our firm may have an incentive to select or recommend Scottrade as its custodian based on our firm’s interest in receiving these benefits rather than on our clients’ interest in receiving favorable trade execution.

As part of our fiduciary duty Avenue Retirement Services, LLC endeavors at all times to put the interests of our clients first. We believe it is important to mention that the benefit received by our firm through participation in a custodian's program does not depend on the amount of brokerage transactions directed to Scottrade, and our selection of Scottrade as custodian is in the best interests of our clients since the selection is primarily supported by the scope, quality, and price of their services -- not just those services that benefit only our firm.

#### Advisory Firm Payments for Client Referrals

If a client is introduced to our firm by an unaffiliated referrer, whether through interpersonal or online solicitation, we may pay that person a referral fee. Such compensation will be in accordance with the requirements set forth in securities statutes determined by the state in which the prospective client resides. Any referral fee is paid by our firm; additional advisory fees are not paid by the client.

When required by statute, the referrer will disclose the nature of their relationship with our firm to prospective clients at the time of solicitation. They will also provide the interested party with our firm brochure as well as a disclosure document that contains the terms and conditions of the referral arrangement, including any direct or indirect compensation they may receive.

An associate of our firm may hold individual membership or serve on boards or committees of professional industry associations. Generally, participation in any of these entities require membership fees to be paid, adherence to ethical guidelines, as well as in meeting experiential and educational requirements. A benefit these entities may provide to the investing public is the availability of online search tools that allow interested parties (prospective clients) to search for individual participants within a selected state or region. These passive websites may provide means for interested persons to contact a participant via electronic mail, telephone number, or other contact information, in order to interview the participating member. The public may also choose to telephone association staff to inquire about an individual within their area, and would receive the same or similar information.

A portion of these participant's membership fees may be used so that their name will be listed in some or all of these entities' websites (or other listings). Prospective clients locating our firm or an associate via these methods are not actively marketed by the noted associations. Clients who find us in this way do not pay more for their services than clients referred to us in another fashion, such as by another client. We do not pay these entities for prospective client referrals, nor is there a fee-sharing arrangement reflective of a solicitor engagement.

#### **Item 15 - Custody**

Your assets will be maintained by an unaffiliated, qualified custodian, such as a bank, broker/dealer (e.g., Scottrade), mutual fund companies, or transfer agent. Your assets are not held by our firm or any associate. In keeping with this policy involving client funds or securities, Avenue Retirement Services:

- Restricts the firm or an associate from serving as trustee or having general power of attorney over a client account;
- Prohibits any associate from having authority to directly withdraw securities or cash assets from a client account. Advisory fees will only be withdrawn from a client investment account through engagement of a qualified custodian maintaining client account assets, via prior written client approval (termed "constructive custody");
- Does not accept or forward client securities (i.e., stock certificates) erroneously delivered to our firm;

- Will not collect advance fees of \$500 or more for services that are to be performed six months or more into the future; and
- Will not authorize an associate to have knowledge of a client's account access information (i.e., online 401(k), brokerage or bank accounts) if such access would result in physical control over client assets.

You will be provided with transaction confirmations and summary account statements provided directly to you by your selected service provider, such as your custodian of record. Typically statements are provided on at least a quarterly basis or as transactions occur within your account. We will not create an account statement for you nor be the sole recipient of your account statements.

Should you receive periodic reports from our firm that includes investment performance information, you are urged to carefully review and compare your account statements that you have received directly from your service provider with any report from our firm.

### **Item 16 - Investment Discretion**

Our firm typically provides its investment services on a discretionary authority basis. Similar to a limited power of attorney, discretionary authority allows our firm to implement investment strategies and decisions, such as the purchase or sale of a security on behalf of your account, without requiring your prior authorization for each transaction in order to meet your stated investment objectives.

This authority is granted by the accountholder of record or their legal agent through our firm's client services agreement, as well as Scottrade's account opening documents, whom also requires the completion of their limited power of attorney form. Please note that Scottrade will specifically limit our firm's authority within the account to the placement of trade orders, and our request for the deduction of our advisory fees per your agreement with our firm.

If you require your account to be managed in a non-discretionary manner, we may choose to either refuse or terminate an account, or continue to manage the account under a higher asset-based fee due to increased operational costs. In light of the requirement for your pre-approval for a non-discretionary account (if accepted), you must also make yourself available and keep our firm continually updated with respect to your contact information so that instructions can be efficiently effected on your behalf.

Avenue Retirement Services, LLC retains information about all client account instructions, limitations and rescissions, and these are reviewed and approved by firm supervisory staff.

### **Item 17 - Voting Client Securities**

#### **Proxy Voting**

Our firm does not vote proxies on your behalf nor do we offer guidance on how to vote proxies. You will maintain exclusive responsibility for directing the manner in which proxies solicited by issuers of securities that are beneficially owned by you shall be voted, as well as making all other elections relative to mergers, acquisitions, tender offers or other events pertaining to your holdings.

#### **Other Corporate Actions**

We do not offer guidance on or have the power, authority, responsibility, or obligation to take any action with regard to any claim or potential claim in any bankruptcy proceeding, class action securities litigation or other litigation or proceeding relating to securities held at any time in a client account, including, without



limitation, to file proofs of claim or other documents related to such proceeding, or to investigate, initiate, supervise or monitor class action or other litigation involving client assets.

#### Receipt of Materials

You may receive proxies or other similar solicitations sent directly from your selected custodian or transfer agent. Should we receive a duplicate copy, note that we do not generally forward these or any correspondence relating to the voting of your securities, class action litigation, or other corporate actions.

#### **Item 18 - Financial Information**

##### Balance Sheet

Our firm will not take physical custody of your assets. We do not directly withdraw our fees from your account; fee withdrawals must be done through a qualified intermediary (e.g., custodian of record) and following your receipt of our written notice.

Our engagements do not require that we will collect fees from you of \$500 or more for our advisory services we will perform six months or more in advance.

Neither Avenue Retirement Services, LLC nor Mr. Fox serves as general partner for a partnership or trustee for a trust in which the firm's advisory clients are either partners of the partnership or beneficiaries of the trust.

Due to the nature of our firm's services and operational practices, an audited balance sheet is not required nor included in this brochure.

##### Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients

The firm and its management do not have a financial condition likely to impair our ability to meet commitments to our clients.

##### Bankruptcy Petitions during the Past 10 Years

The firm and its management have not been the subject of a bankruptcy petition at any time during the past 10 years.

## **Item 19 - Requirements for State-Registered Advisers**

Regulatory guidance requires the firm to disclose relevant post-secondary education and professional training for each principal executive and associate of the firm, as well as their business experience for at least the past five years.

### **Principal Executive Officers and Management Persons**

#### ***Managing Member/Designated Officer (Supervisor)/Investment Advisor Representative***

**Charles Darren Fox** / Year of Birth: 1976 / CRD Number: 4229030

#### ***Educational Background and Business Experience***

##### **Educational Background**

Bachelor of Business Administration (Business/Finance)

Stephen F. Austin State University; Nacogdoches, TX

Certified Financial Planner Certification Education Program<sup>5</sup>, Rice University School of Continuing Studies; Houston, TX

General Securities Representative Examination<sup>6</sup>/FINRA Series 7 (Inactive)

Uniform Securities State Agent Law Examination<sup>6</sup>/NASAA Series 63 (Inactive)

Uniform Investment Adviser Law Examination<sup>6</sup>/NASAA Series 65

##### **Business Experience**

Avenue Retirement Services, LLC; Frisco, TX (2012-Present)

Managing Member (2012-Present)/Designated Officer and Investment Advisor Representative (2013-Present)

Fox Business Services, LLC; Little Elm, TX (2011-2014)

Managing Member/Unitholder

Ameripro Funding; Dallas, TX (2011-2012)

Mortgage Banker

Highlands Residential Mortgage (Formerly Mortex Lending); Dallas, TX (2008-2011)

Mortgage Banker

Nationstar Mortgage (formerly Centex Home Equity); Lewisville, TX (2005-2008)

Senior Loan Officer

Sonic Automotive/Dub Richardson Toyota; Oklahoma City, OK (2003-2005)

Finance Director

UBS Financial Services, Inc. (formerly PaineWebber Inc.); Houston, TX (1999-2003)

Investment Associate

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<sup>5</sup> The completion of a financial planning educational or certificate program does not constitute or imply a person is the holder of a professional designation, such as the CERTIFIED FINANCIAL PLANNER™, CFP® professional certification granted in the United States by Certified Financial Planner Board of Standards, Inc. Minimum criteria may be found at: <http://www.cfp.net>.

<sup>6</sup> FINRA and NASAA examinations are "criterion based;" candidates who pass the exam are considered to have met the minimum competency level. The completion of a securities industry examination does not constitute or imply a person is "approved" or "endorsed" by a securities regulatory organization or state securities commissioner.

### Other Business Activities

Neither Mr. Fox nor his firm has a material relationship with the issuer of a security. Mr. Fox is not registered, nor has an application pending to register, as a registered representative of a FINRA or NFA member broker/dealer or as an associated person of a futures commission merchant, commodity pool operator, or commodity trading advisor. Therefore, he does not receive commissions, bonuses or other compensation based on the sale of securities or service ("trail") fees from the sale of mutual funds.

### Additional Compensation

Mr. Fox is not compensated for advisory services involving performance-based fees. Further, firm policy prohibits an associated person from accepting or receiving additional economic benefit, such as sales awards or other prizes, for providing advisory services to its clients.

### Disciplinary Information

Registered investment advisors are required to disclose certain material facts regarding any legal or disciplinary events that would be material to your evaluation of each officer or a supervised person providing investment advice. No reportable information is applicable to this section for Mr. Fox.

### Supervision

Mr. Fox serves in multiple capacities for the Avenue Retirement Services, LLC: Managing Member, Designated Officer, and investment advisor representative. It is recognized there is an inability to segregate certain duties which may potentially create conflicts of interest; however, policies and procedures are employed to ensure appropriate recordkeeping and oversight. Questions relative to the firm, its services or this Form ADV Part 2 may be made to the attention of Mr. Fox at (214) 705-2464 or [info@avenueretirement.com](mailto:info@avenueretirement.com).

Additional information about the firm, other advisory firms, or an associated investment advisor representative, including Mr. Fox, is available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). A search of this site for firms may be accomplished by firm name or a unique firm identifier, known as an IARD number. The IARD number for the Avenue Retirement Services, LLC is 165606. You may also search Mr. Fox by name or his reference number, which is 4229030. The business and disciplinary history, if any, of an investment advisory firm and its representatives may be obtained by calling the Texas State Securities Board at (512) 305-8300.

### Requirements for State-Registered Advisers

There have been neither arbitration awards nor any sanctions or other matters where either Mr. Fox or his firm has been found liable in any civil, self-regulatory or administrative proceeding. Further, neither the firm nor Mr. Fox has been the subject of a bankruptcy petition.

### Business Continuity Plan

Our firm maintains a business continuity plan that is designed to ensure we appropriately respond to natural and man-made events that pose a significant disruption to its operations. A statement concerning our current plan is available under separate cover.