

Form CRS Customer Relationship Summary

**Item 1. Introduction**

Avalon Capital Management, Inc. is registered with the Securities and Exchange Commission (SEC) as an investment adviser. Avalon Capital Management, Inc. offers Investment Management Services to its clients involving the active management of portfolios. Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

**Item 2. Relationships and Services**

**What investment services and advice can you provide me?**

Avalon offers Investment Management Services to its clients involving the active management of portfolios composed of common and preferred stocks, bonds, cash, money market instruments, mutual funds, futures, options, exchange traded funds, and real estate (primarily through REITs), to the extent these are deemed to be appropriate for each client, based upon a review of such client's financial circumstances, as such information is provided by the client.

Investment Management Services are offered on a discretionary basis. For discretionary accounts, the financial decision-making and the implementation of recommendations are solely the responsibility of Avalon.

In addition, Avalon provides a cash management service, as well as a fixed income management service. Using a combination of individual securities, mutual funds, and exchange traded funds, the portfolios are actively managed.

**Minimum Account Size**-Generally, Avalon has a minimum account size of \$1,000,000 for new accounts. Avalon may waive, in its sole discretion, the account minimum depending upon a particular client's circumstances.

For additional information, [please refer to our ADV Part 2A, Item 4.](#)

**Conversation Starters** - ask your financial advisor:

- Given my financial situation, should I choose an investment advisory service? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education and other qualifications?
- What do these qualifications mean?

**Item 3. Fees, Costs, Conflicts and Standard of Conduct**

**What fees will I pay?**

At Avalon, our only source of revenue is from the investment management fees paid by our clients. The compensation for Avalon's investment management services is based on a percentage of the market value of assets under management at the end of the preceding calendar quarter. Fee schedules will vary depending on the type of investment management service.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

For additional information, [please refer to our ADV Part 2A.](#)

**Conversation Starters** - ask your financial advisor:

- Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

**What are your legal obligations to me when acting as my investment adviser?**

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice, we provide you. Here are some examples to help you understand what this means: The more assets there are in your advisory account, the more you will pay in fees; thus, the firm may have an incentive to encourage you to increase the assets in your account.

Date January 30, 2024

**How else does your firm make money and what conflicts of interest do you have?**

At Avalon, our only source of revenue is from the investment management fees paid by our clients. You will pay investment management fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For additional information, [please refer to our ADV Part 2A](#), Item 5. When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice, we give to you.

We use Charles Schwab as custodian for most of our clients. Schwab's services include research, brokerage, custody and access to mutual funds and other investments that are otherwise available only to institutional investors. Some of these other products and services assist us in managing and administering clients' accounts.

**Conversation Starters** - ask your financial advisor:

- **How might your conflicts of interest affect me, and how will you address them?**

[Please refer to our ADV Part 2A](#) to help you understand what conflicts exist.

**How do your financial professionals make money?**

We are compensated based on salary with bonus incentives. The bonuses are calculated based on various factors – they can be individual goal-based, or firm goal-based and can be tied to growth in client base, assets under management, client service, and net new assets.

**Disciplinary History****Do you or your financial professionals have legal or disciplinary history?**

No. A free search tool to research us and our financial professionals is available at [investor.gov/CRS](https://investor.gov/CRS).

**Conversation Starters** - ask your financial advisor:

- **As a financial professional, do you have any disciplinary history? For what type of conduct?**

**Additional Information**

Additional Information about our services is available by visiting [www.avaloncapital.com](http://www.avaloncapital.com) and if you would like to request a copy of this relationship summary, contact us at 650-306-1500.

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Ross Revenaugh [ross@avaloncapital.com](mailto:ross@avaloncapital.com)

**Conversation Starters** - ask your financial advisor:

- **Who is my primary contact person?**
- **Is he or she a representative of an investment adviser or broker-dealer?**
- **Who can I talk to if I have concerns about how this person is treating me?**

**Avalon Capital Management**  
**January 30, 2024**

**Exhibit to Form CRS**

Avalon Capital Management is required to update its Form CRS when information in the Form CRS becomes materially inaccurate. This Exhibit summarizes the following material changes to the firm's Form CRS, implemented on January 30, 2024:

The individuals listed from whom you can request a copy of the relationship summary has been updated.