SEC Form 4

<table>
<tr><td>**FORM 4**</td><td rowspan="2">**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934
or Section 30(h) of the Investment Company Act of 1940</td><td>OMB APPROVAL</td></tr>
<tr><td>☐ Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

☐ Check this box to indicate that a transaction was made pursuant to a contract, instruction or written plan for the purchase or sale of equity securities of the issuer that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c). See Instruction 10.</td><td>OMB Number: 3235-0287
Estimated average burden
hours per response: 0.5</td></tr>
</table>

<table>
<tr><td colspan="3">1. Name and Address of Reporting Person [*]

KANTOFF AARON</td><td>2. Issuer Name **and** Ticker or Trading Symbol

Avalo Therapeutics, Inc. [AVTX]</td><td colspan="2">5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)</td></tr>
<tr><td>(Last)</td><td>(First)</td><td>(Middle)</td><td>3. Date of Earliest Transaction (Month/Day/Year)
08/13/2024</td><td>X Director
Officer (give title below)</td><td>10% Owner
Other (specify below)</td></tr>
<tr><td colspan="3">C/O AVALO THERAPEUTICS, INC.
540 GAITHER ROAD, SUITE 400</td><td rowspan="2">4. If Amendment, Date of Original Filed (Month/Day/Year)</td><td colspan="2">6. Individual or Joint/Group Filing (Check Applicable Line)
X Form filed by One Reporting Person
Form filed by More than One Reporting Person</td></tr>
<tr><td>(Street)</td><td></td><td></td></tr>
<tr><td>ROCKVILLE</td><td>MD</td><td>20850</td><td colspan="3"></td></tr>
<tr><td>(City)</td><td>(State)</td><td>(Zip)</td><td colspan="3"></td></tr>
</table>

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

<table>
<tr><td rowspan="2">1. Title of Security (Instr. 3)</td><td rowspan="2">2. Transaction Date (Month/Day/Year)</td><td rowspan="2">2A. Deemed Execution Date, if any (Month/Day/Year)</td><td colspan="2">3. Transaction Code (Instr. 8)</td><td colspan="3">4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)</td><td rowspan="2">5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)</td><td rowspan="2">6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)</td><td rowspan="2">7. Nature of Indirect Beneficial Ownership (Instr. 4)</td></tr>
<tr><td>Code</td><td>V</td><td>Amount</td><td>(A) or (D)</td><td>Price</td></tr>
</table>

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

<table>
<tr><td rowspan="2">1. Title of Derivative Security (Instr. 3)</td><td rowspan="2">2. Conversion or Exercise Price of Derivative Security</td><td rowspan="2">3. Transaction Date (Month/Day/Year)</td><td rowspan="2">3A. Deemed Execution Date, if any (Month/Day/Year)</td><td colspan="2">4. Transaction Code (Instr. 8)</td><td colspan="2">5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)</td><td colspan="2">6. Date Exercisable and Expiration Date (Month/Day/Year)</td><td colspan="2">7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)</td><td rowspan="2">8. Price of Derivative Security (Instr. 5)</td><td rowspan="2">9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)</td><td rowspan="2">10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)</td><td rowspan="2">11. Nature of Indirect Beneficial Ownership (Instr. 4)</td></tr>
<tr><td>Code</td><td>V</td><td>(A)</td><td>(D)</td><td>Date Exercisable</td><td>Expiration Date</td><td>Title</td><td>Amount or Number of Shares</td></tr>
<tr><td>Stock Option (Right to Buy)</td><td>$9.88</td><td>08/13/2024</td><td></td><td>A</td><td></td><td>24,600</td><td></td><td>(1)</td><td>08/13/2034</td><td>Common Stock</td><td>24,600</td><td>$0</td><td>24,600</td><td>D</td><td></td></tr>
<tr><td>Restricted Stock Units</td><td>(2)</td><td>08/13/2024</td><td></td><td>A</td><td></td><td>9,500</td><td></td><td>(3)</td><td>(3)</td><td>Common Stock</td><td>9,500</td><td>$0</td><td>9,500</td><td>D</td><td></td></tr>
</table>

Explanation of Responses:

1. The stock option vests 1/3 on March 28, 2025, March 28, 2026, and March 28, 2027, subject to the Reporting Person's continued service on such vesting date.

2. Each restricted stock unit ("RSU") represents a contingent right to receive one share of common stock upon the vesting date.

3. The RSUs vest 1/3 on March 28, 2025, March 28, 2026, and March 28, 2027, subject to the Reporting Person's continued service on such vesting date.

/s/ Donald R. Reynolds, by Power of Attorney   08/14/2024

** Signature of Reporting Person   Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, *see* Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.