

Firm Brochure
(Part 2A of Form ADV)

ALM First Financial Advisors, LLC

3800 Maple Avenue, Ste. 600

Dallas, TX 75219

800-752-4628

214-987-1052 (fax)

www.almfirst.com

info@almfirst.com

This brochure provides information about the qualifications and business practices of ALM First Financial Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at: 1-800-752-4628 or info@almfirst.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority. Registration with the United States Securities and Exchange Commission does not imply a certain level of skill or training.

Additional information about ALM First Financial Advisors, LLC is available on the SEC's website at www.adviserinfo.sec.gov

March 31, 2024

Material Changes

Annual Update

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Firm Brochure. The previous annual update was completed on March 31, 2023.

Material Changes since the Last Update

Since the last annual update on March 31, 2023 ALM First Financial Advisors, LLC made the following material change:

- Updated minimum fees in Item 4
- Updated other financial affiliates in Item 10
- Updated voting client securities in Item 17

Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: 800-752-4628 or email us at: info@almfirst.com.

Table of Contents

Contents

Material Changes.....	i
Annual Update	i
Material Changes since the Last Update	i
Full Brochure Available	i
Advisory Business	1
Firm Description.....	1
Principal Owners.....	1
Types of Advisory Services.....	1
Tailored Relationships	5
Assets under Management.....	5
Advisory Service Agreement.....	5
Fees and Compensation	6
Description	6
Ancillary Service fees:.....	7
Fee Billing	7
Past Due Accounts and Termination of Agreement	7
Stable Value Annuity Fees.....	8
Performance-Based Fees	8
Performance-Based Fees are Not Applicable	8
Types of Clients.....	8
Description	8
Account Minimums.....	8
Methods of Analysis, Investment Strategies and Risk of Loss.....	9
Methods of Analysis.....	9
Investment Strategies	9
Risk of Loss	9
Disciplinary Information	10
Legal and Disciplinary.....	10

Other Financial Industry Activities and Affiliations	11
Other Financial Industry Activities and Affiliations.....	11
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	11
Code of Ethics.....	11
Participation or Interest in Client Transactions.....	12
Personal Trading.....	12
Brokerage Practices.....	12
Selecting Brokerage Firms.....	12
Best Execution	13
Soft Dollars	14
Trade Aggregation and Allocation.....	14
Review of Accounts	15
Periodic Reviews	15
Review Triggers.....	15
Regular Reports.....	15
Client Referrals and Other Compensation	15
Incoming Referrals.....	15
Referrals Out	16
Custody.....	16
Investment Discretion.....	16
Discretionary Authority for Trading.....	16
Limited Power of Attorney.....	16
Voting Client Securities	16
Voting Client Securities	16
Financial Information	17
Financial Condition	17
Business Continuity Plan	17
Business Continuity	17
Information Security Program.....	18
Information Security	18

Privacy Notice	18
Firm Brochure Supplement	i
Education and Business Standards	2
Professional Certifications	2
EMILY MOREÉ HOLLIS, CFA – Chief Executive Officer	3
ROBERT PERRY – Principal, ALM and Investment Strategy Group	4
JASON HALEY – Chief Investment Officer	5
MICHAEL ORAVETZ – Managing Director, Investment Management Group	6
HAFIZAN HAMZAH – Senior Director, Investment Management Group	7
CHRIS ECKHOFF – Director, Investment Management Group	8
RACHEL ACERS – Director, Investment Management Group	9
GLEB BARKOVSKIY – Director, Investment Management Group	10
CONRAD LOFTON – Director, Investment Management Group	11
PHILIP STIEHL – Director, Investment Management Group	12
ALEC HOLLIS, CFA – Managing Director, ALM Strategy Group	13
JAKE SILVEY – Director, Mortgage Pipeline Hedging	14
TYLER MADDEN – Director, ALM Strategy Group	15
THOMAS KOTECKI – Director, ALM Strategy Group	16



Advisory Business

Firm Description

ALM First Financial Advisors, LLC was founded in 1995.

As a financial advisory firm, we provide consulting, non-discretionary and discretionary investment and financial management services primarily for financial institutions. Investment advice is designed to comply with applicable industry, State and Federal regulations.

ALM First Financial Advisors, LLC is a fee based investment and financial management firm. We do not sell financial products or securities. We have no affiliation with entities that sell financial products or securities. We do not accept commissions in any form and we do not accept finder's fees.

Principal Owners

ALM First Financial Advisors, LLC is wholly held by its parent, ALM First Group LLC. ALM First Group, LLC is a Delaware limited liability company with a principal office in Dallas, Texas. ALM First Group, LLC is principally owned by CEO Emily Moré Hollis and Platform ALM Holdings, LLC, an entity which is owned primarily by other employees of ALM First Financial Advisors and its affiliates.

Types of Advisory Services

ALM First Financial Advisors, LLC offers financial advisory services, both investment and balance sheet advisory services, for financial institutions; primarily credit unions and banks. Investment advisory services are provided predominately on a non-discretionary basis. This means that the CFO or other designated officer at the client approves each trade or strategy before we execute. We do also offer a discretionary portfolio management service, for the investment companies we advise, and certain other account strategies.

Our investment advice is primarily in fixed income securities, with some equity exposure via Exchange Traded Funds. Types of securities or obligations we manage include, but are not limited to: U.S. Treasury securities, U.S. Government Agency and Sponsored Entity securities, Agency and Non-Agency Mortgage Backed Securities, Taxable and Non-Taxable Municipal



securities, Collateralized Mortgage Obligations, Real Estate Mortgage Investment Conduits, Asset-Backed securities, Asset-Backed and Municipal Auction Rate securities, Corporate Bonds, Commercial Paper, Mutual Funds, CD's and other bank deposits, interest rate caps and floors, interest rate swaps, and interest rate futures. We do not advise on or manage equities, equity like securities, or Initial public offerings (IPOs) other than Mutual Funds and ETFs which we may purchase to give certain clients equity exposure. Some clients may choose to utilize certain insurance products, including Stable Value Annuity products, which we manage for a fee.

1) Premier level advisory service:

- Investment and Asset/Liability Management Policy Review
- Investment Execution and advice
- Portfolio Structuring and Strategy Development
- Asset/Liability Management
- Investment Product Education
- Investment Portfolio Monitoring and Reporting
- ALM on Demand

Initially in this service, we review the client's investment and asset/liability policies and recommend appropriate adjustments as necessary. We meet with management to elicit information on the types of investments the institution uses and educate them on the securities they hold or have an interest in holding. Periodically, we hold additional meetings to ensure on-going monitoring of the policies considering changing market conditions.

We also provide Asset/Liability management (A/LM) service. We use financial modeling to analyze the client's assets and liabilities in a traditional ALM framework. We perform net interest income and economic value of capital simulations to define the amount of interest rate risk on their balance sheet. We use this evaluation of the balance sheet to structure an investment portfolio managing this risk in accordance with their risk allowances while seeking incremental investment return or yield to enhance the overall return on their assets.

Following a review and any adjustments of our client's investment and asset/liability management policies and consideration of their current portfolio and of economic conditions, we design a proposed portfolio structure and investment strategy appropriate to their balance sheet. We then manage the client's investment portfolio on a non-discretionary basis in accordance with this strategy. This strategy generally is reviewed and, if appropriate, revisions suggested at least every three months. Our clients receive a quarterly report which includes:



- Current Portfolio Review
- Investment Strategy
- ALM Analysis
- Economic Analysis
- Interest Rate Shock Report

Using our portfolio accounting system, we also provide a monthly report to our clients which includes:

- a listing of securities holdings
- transactions
- book value accruals and principal payments
- interest accruals, payments and receivable amounts
- cash flow projections

We also provide clients an ALM on Demand service. This service allows them to analyze different scenarios using ALM First's modeling assumptions via their secure portal on our website. With this service, we provide clients with a quick and general sense of incremental risk versus earnings of balance sheet changes.

2) Elite level advisory service:

- All the Premier level advisory services
- Hedging services
- Budgeting services
- Discretionary Investment Advisory
- ALM Validation
- Mortgage Servicing Rights Valuation
- Unlimited "what if" scenarios

3) Hedging service:

For the foundation of our hedging program, we analyze the client's balance sheet and identify the level of interest rate risk. We measure this risk against the institution's offsetting financial support provided through earnings and capital.

The models we use in this program analyze the volatility of earnings (short-term perspective) and the Economic Value or EV of capital (longer-term perspective). EV represents the net present value of all balance sheet and off-balance sheet cash flows under present and different interest rate scenarios, and is the primary modeling technique we use to determine market risk. The decision to hedge a part of the institution's balance sheet relies on the results of the initial and ongoing EV analyses, our knowledge of the



institution and its market, and our experience and understanding of valuing and managing option-embedded cash flow instruments.

Hedging is used by institutions that assume interest rate risk because of their portfolio concentrations of fixed-rate real estate loans or, in the case of pre-existing conditions, other types of long-term fixed-rate investment balances, for example. Credit unions and community banks choosing to engage in interest rate derivative contracts should do so only in accordance with safe and sound business practices. We use the hedging program to limit interest rate risk exposure, not to speculate. The hedging instruments we use are interest rate swaps, interest rate caps and floors, and interest rate futures.

For clients without prior experience in these instruments, we will provide educational sessions to assist management in their understanding. We require our clients review and understand all analyses we provide prior to inception of the program. And we required them to consult with their auditor to determine the hedge type (fair value, cash flow, etc.) and for hedge accounting.

4) Mortgage Pipeline Hedging Services

We hedge to manage the risks involved in the mortgage pipeline. We offer the following strategy to mitigate mortgage pipeline risk:

- Hedging in the capital markets using TBA MBS (to-be-announced mortgage-backed securities)

Our program typically includes these four steps:

- Developing and maintaining models and accurate data
- Creating pipeline stages and fallout ratios
- Computing the Required TBA Hedge Position
- Execution and daily rebalancing of required MBS positions

5) MSR Hedging

We provide risk measurement valuation and hedging solutions to reduce the impact MSRs may have on an institution's financial statements. Together, we hedge this risk using various financial instruments, including Treasuries (cash and futures), interest-rate derivatives, and MBS.

6) Discretionary Investment Management Service

- Investment Policy Review and Investment Product Education
- Investment Execution and Management
- Portfolio Monitoring and Reporting



- Pre-Funded employee benefit, charitable donation, and stable value annuity accounts

With the Discretionary service, we first review the institution's investment policies and procedures and, if necessary, recommend appropriate adjustments. The institution's management then establishes the parameters by which we are to manage a part of their entire portfolio. We then manage this portfolio in accordance with all applicable industry, state and federal regulations. And we provide the same monthly reports for the part or the entire portfolio managed under this service as we provide our premier and elite level clients.

Tailored Relationships

The goals and objectives for each client are documented in their Investment Policy statement. Clients may impose restrictions on investing in certain securities or types of securities based either on their investment policy statements and/or their regulatory bodies.

Assets under Management

As of December 31, 2023, ALM First Financial Advisors, LLC managed \$68,653,923,262 in asset market value for 163 clients.

Advisory Service Agreement

Our clients choose us to manage their assets to obtain ongoing in-depth advice and adherence to goals, strategy and regulatory requirements. The scope of work and fees for Elite, Premier, Investment Advisory, Hedging or Discretionary Investment Advisory Service Agreements are provided to the client in a written contract. Fees are listed in the contract and the contract must be signed by both the client and an officer of ALM First Financial Advisors, LLC before we begin the service.

Our agreements generally have a term of one year and automatically renew for a period of one year unless we or the client provide written notice to terminate the agreement within 30 days prior to the expiration of the current year. The investment advisory services portion of our agreements may be terminated with 30 days' notice. We bill monthly in advance. A prorated portion of any fees that had been prepaid at the date of termination of the agreement are refunded. Most fees are negotiable.

Fees and Compensation

Description

We base our fee schedules for clients on the level of service provided; Elite, Premier, Discretionary Investment Advisory, Investment Advisory and/or Hedging.

Elite level fees are typically set annually. They typically are 25% to 50% higher than Premier level fees since we add additional services for our elite level clients. Fees are negotiated on a case-by-case basis based on the size and complexity of the investment portfolio and the assets of the institution. The fees change as the investment portfolio and assets of the institution grow or shrink and are negotiated and revised yearly.

The investment portfolio consists of total investable funds, minus capital shares and cash.

Premier level fees are also typically set annually. The fee for the Premier level Advisory Service is a flat annual fee based upon the size of the investment portfolio and the assets of the institution. Longer-term contracts can be negotiated. The fees change as the investment portfolio and assets of the institution grow or shrink and are typically revised annually.

The investment portfolio consists of total investable funds, minus capital shares and cash.

Premier level Advisory Service Fee Schedule:

Fees are approximations and subject to negotiations due to the scope of work entailing numerous services in addition to investment advisory. Fees may be higher for certain clients depending on the complexity of such client's investment portfolio, ALM reporting schedule, balance sheet advisory scope.

Discretionary Investment Management fees - the fixed fee arrangements will be determined on the basis of the amount and composition of the assets under management. Here is a representative fee schedule:

- \$ 0 - \$10,000,000
Flat fee of \$50,000
- \$10,000,001 - \$30,000,000
25 basis points (0.25%)
- \$30,000,001 - \$50,000,000
20 basis points (0.20%)
- Greater than \$50,000,000
15 basis points (0.15%)

-6-

**Hedging fees:**

The Hedging service includes a one-time start-up fee and an ongoing annual fee. The start-up fee is based on the scope of current services used and size and complexity of the strategy. In addition to the Start-Up Fee, Client shall pay Advisor ongoing annual fees assessed monthly and paid in arrears as determined in the chart below upon execution of the first trade.

<i>Derivative Notional Amount</i>	<i>Annual Fees</i>
Less than \$5 Million	\$15,000
\$5 to \$100 Million	10 basis points
\$100 to \$500 Million	5 basis points
More than \$500 Million	1 basis point

Ancillary Service fees:

Mortgage Pipeline Hedging and MSR Hedging fees vary by complexity of the institution and project scope.

We may have client relationships currently where we charge fees that are higher or lower than the fee schedules listed here. ALM First Financial Advisors, LLC, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future additional assets, negotiations with clients, etc.). As stated previously, most of our fees are negotiable.

Fee Billing**Advisory services:**

- Elite and Premier investment advisory fees are billed monthly in advance. Discretionary Investment Advisory management fees, Investment Advisory, and Hedging fees are billed monthly in arrears.

Past Due Accounts and Termination of Agreement

Invoices are coded "Net 10 days". We reserve the right to stop work on any account that is more than 30 days overdue. In addition, we reserve the right to terminate any agreement where a client has willfully concealed or has refused to provide pertinent information necessary for the execution of the service and the generation of appropriate reports. Any unused portion of fees collected in advance will be refunded within 30 days.

Stable Value Annuity Fees

For certain clients who choose to purchase Stable Value Annuities, we receive fees paid directly by the Insurer for managing such products. We do not charge a percentage of assets under management to the client for portions of their account allocated to such products.

Performance-Based Fees

Performance-Based Fees are Not Applicable

We do not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the advisor to recommend an investment that may carry a higher degree of risk than appropriate for the client.

Types of Clients

Description

Our clients are generally financial institutions including credit unions, community banks, specialty lenders, insurance companies, etc. We provide them with the consulting, non-discretionary and discretionary investment advisory services as well as the ancillary services described earlier in this statement. Client relationships vary in scope and length of service. Some of our clients have been with us since we began over 20 years ago.

Account Minimums

There is no actual minimum account size for the advisory services. Built into the Elite and Premier advisory fee schedules, however, based on institutional asset size and the size of their investment portfolios, are minimum fees. Our minimum cost to participate in the Elite or Premier Investment Advisory Service, for new clients, is \$75,000 per year.

All services exclusive of the one-time, project engagements require at least a one-year contract.



Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

We rely on fundamental and technical analysis of the financial markets when we provide investment advice. With the aid of various publicly available on-line information systems such as Markit, Bloomberg, and others, we monitor and analyze yield curves and swap opportunities.

To support our recommendations or advice, we may perform other internal analyses based on economic information, interest rate forecasts and information and data published by broker/dealers, financial newspapers and magazines, press releases, the Federal Reserve Board, ratings services research materials prepared by others, prospectuses, filings with the Securities and Exchange Commission, and the World Wide Web.

Investment Strategies

Our investment strategy for a specific client is based upon the objectives stated by the client, their board, and their policy during consultations and on-going meetings. Each client executes an Investment Policy Statement documenting their goals, objectives and desired strategy. We keep a copy of that policy available electronically for our advisors to review before making investment recommendations.

We strategically align the assets of the investment portfolio and pair them to the liabilities from an overall balance sheet perspective to maximize return within approved risk parameters.

Risk of Loss

Our investment advice, focused on fixed income securities, constantly considers the risk of loss for our clients. However, all investments involve risks born by the investor that could result in a loss of principal and or a reduction in earnings. Clients face the following investment risks:

- **Credit Risk:** A default by the underlying issuer of a non-collateralized fixed income security or realized losses exceeding the credit support of a structured security can create a loss of all or part of the remaining principal balance of a fixed income security.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, 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 default on a debt obligation, bankruptcy, and/or a declining market value.

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing fixed income securities become less attractive, causing their market values to decline.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally speaking, the larger the issue size for a particular security, the more liquid it is.
- **Market Risk:** The price of a fixed income security may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate).
- **Natural and Human Disruptions:** The value of ALM First's assets could be adversely affected in the event of a natural disaster, severe weather events, climate change, earthquakes, fires, war, terrorism, health pandemics and other public health crises.

Although we manage client portfolios in a manner consistent with their risk tolerance, we cannot guarantee that our efforts will be successful. Clients should be prepared to bear the risk of loss.

Disciplinary Information

Legal and Disciplinary

ALM First Financial Advisors, LLC and its management persons have not been involved in legal or disciplinary events related to past or present investment clients.



Other Financial Industry Activities and Affiliations

Other Financial Industry Activities and Affiliations

ALM First Financial Advisors, LLC has a related person under common control, ALM First Executive Benefits, LLC, which is a registered insurance agency that shares employees and resources with ALM First Financial Advisors, LLC. Mike Ensweiler, is a Principal with both entities, and serves as ALM First Executive Benefits' licensed insurance agent. A material conflict of interest may arise regarding the recommendation of insurance products by ALM First Executive Benefits, LLC, to clients of ALM First Financial Advisors, LLC. To address this conflict, strict protocols are in place to ensure transparency, disclosure, and adherence to fiduciary duties, thereby safeguarding the interests of our clients.

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

Code of Ethics

Our firm has a written *Code of Ethics* that must be followed by all employees. As fiduciaries, we are committed to providing our clients the duty of undivided loyalty. Embedded in our code are standards of conduct required of all employees that reflect these fiduciary duties and compliance with all applicable federal securities laws.

Our code forbids any employee from trading, either personally or on behalf of others, including accounts managed by the firm, on material nonpublic information or communicating material nonpublic information to others in violation of the law. All employees are required to comply with ALM First Financial Advisors' *Policy for the Prevention of Insider Trading* as well as the personal trading policy requirements. Other items we include in our code refer to our policies regarding not accepting gifts, favors, entertainment, accommodations, or other things of material value; the duty of confidentiality covered in our Privacy Policy; marketing policies; service on boards and other outside activities of employees.

We are happy to provide a copy of our *Code of Ethics* to any client or prospective client upon request.



Participation or Interest in Client Transactions

As employees of ALM First Financial Advisors, LLC, we may not hold in our personal accounts, any reportable securities held by clients except S&P 500 Exchange-Traded Funds (ETF).

Personal Trading

Our Chief Compliance Officer is responsible for performing reviews of all employee reportable securities trades, and his reportable securities trades are reviewed by Emily Moré Hollis, CEO.

As mentioned above, we are prohibited from holding any reportable securities held in any client portfolios other than S&P 500 ETFs and must pre-clear any personal investments in initial public offerings and limited (private) offerings. We use these personal trading reviews to ensure that our employees trading activity does not affect the markets and that our clients receive preferential treatment as part of our fiduciary responsibilities.

Brokerage Practices

Selecting Brokerage Firms

For non-discretionary management, we do not generally exercise authority to determine the securities to be bought and sold, the amount of securities to be bought and sold, the broker-dealer to be used, or the commissions or price to be paid prior to obtaining a participant's specific consent.

As a part of our investment process, our advisors review current portfolio positions, IMG checks prices with various broker-dealers and recommend the purchase or sale of securities. After obtaining approval from an officer designated by the participating client, our advisor then consummates the approved transaction with an authorized trader executing the trade on behalf of the client although the funds and securities never transfer to ALM First.

We suggest a particular broker-dealer based on best obtainable price when recommending the purchase or sale of a particular security. All broker-dealers on our list must first be approved by the participating client before we use them for trading. We do not choose a particular broker-dealer based on the extent or value of research or products they provide the firm. Annually, we complete a regulatory compliance review of our approved list of Broker/Dealers.



We have no affiliation with any brokerage firms. We do not receive client referrals from broker-dealers and we do not receive any fees or commissions from the broker-dealers we use.

Custodians, with the exception of Pershing, LLC ("Pershing"), are selected by the client and that relationship is maintained by the client outside the purview of the firm. We do have an economic relationship with Pershing for our Discretionary Investment Advisory and Capital Dividend Accounts, in which, in addition to custody, we direct trades to be executed through Pershing's brokerage services. By having this relationship, we may be unable to achieve the most favorable execution of client transactions in these accounts. However, clients are granted the right to opt out of this brokerage relationship.

Best Execution

We suggest a particular broker or dealer based on the best available price and/or lowest commission at the time an investment recommendation is made. For all potential trades, the desk obtains comparables. Once a trade is completed, the trading desk prepares and documents on the trade ticket, two comparable trades reviewed in an effort to achieve best execution. In the rare event that two comparables are not available, the trader will show one.

Most non-discretionary trades are done individually based on the request of the client at that time. Where trade aggregation can result in a better price, amounts are distributed fairly to all clients based on need and availability.

Broker-dealers are selected for a particular trade based only on best execution at that time. ALM First's policy is to annually review broker-dealers. However, although extremely rare, ALM First may accept client instructions for directing the client's brokerage transactions to a particular broker-dealer. Any client instructions to ALM First are to be in writing with appropriate disclosures that for any directed brokerage arrangements ALM First will not negotiate commissions, may not obtain volume discounts or aggregate directed transactions, and that commission charges will vary among clients and best execution may not be obtained.

As part of our code and standards we, as employees of ALM First Financial Advisors, LLC, are prohibited from accepting any cash, inappropriate gifts, favors, entertainment, special accommodations, or other things of material value that could influence our decision-making or make us feel beholden to a particular broker-dealer or firm.

Soft Dollars

We do not receive soft dollars from any of the brokers we use for trade execution. Research reports or other data received from the brokerage firms are used to analyze various investment opportunities and potential trades for our clients. All our clients benefit from this research and analysis as it is used for the investment decision-making and trade execution processes.

Trade Aggregation and Allocation

Although we generally allocate trades pro-rata among eligible accounts, under certain circumstances, where a scarce asset or limited investment opportunity arises, a pro-rate allocation is impractical. In those circumstances, to ensure a fair and equitable allocation of securities, ALM uses a rotational methodology utilizing the following guidelines:

- 1) ALM First will only offer such limited investment opportunities to those clients for whom the firm provides discretionary management services.
- 2) Among such clients who receive discretionary management services, only clients who are registered investment companies under the 1940 Investment Companies Act ("40 Act") will be eligible to receive such securities.
- 3) The remaining eligible clients will be provided such limited investment opportunities on a rotational basis beginning with the client who has the largest investment portfolio managed by ALM first.
- 4) If an otherwise eligible client is unable to purchase such a security due to suitability, cash flow, or other limiting considerations, that client will remain in the rotation to receive the next available investment opportunity.
- 5) A client who receives such an investment opportunity will not necessarily be precluded from receiving another such opportunity on a consecutive occasion, if there are no other eligible clients in the rotational pool.
- 6) The portfolio manager maintains the discretion to turn down a limited investment opportunity for any eligible client if it is deemed to not be in the client's best interest based on investment policy or any other reason.

Review of Accounts

Periodic Reviews

We assign a primary Director, Advisory Services or Director, Investment Management Group to each client's portfolio. The Director is responsible for the day-to-day supervision of that account and the ongoing client relationship. As part of the team, each Director also has an analyst to assist in daily analytics. Our Directors continuously review client portfolios for the proper asset mix, suitability of investments, client objectives, etc. They are all available to ensure account coverage in case of illness, vacation, etc.

Review Triggers

Reviews are triggered by events such as changes in the financial markets, interest rates, credit ratings of approved institutions or obligations, as well as changes in the participating institution's liquidity or financial position.

Regular Reports

Monthly, we send clients a report with information on the investment portfolio including: securities owned and under advisement, settlement dates, maturity dates, coupon rate, principal amount, purchase amount, par, book and current market value, accrued income, yield-to-maturity and weighted average life. The reports also include portfolio activity during the month and appropriate accrual and payment information for accounting and reporting purposes.

At least quarterly, the Director, Advisory Services or Director, Investment Management Group provides a written report of all their client's portfolios. These formal reviews include economic forecasts, written summary reports, investment strategy recommendations, and detailed analytics.

Client Referrals and Other Compensation

Incoming Referrals

We currently have six agreements in place whereby we would compensate a third party for a client referral. The specific agreement terms vary in terms of compensation, but generally a promoter would receive a percentage of the Advisory fees paid by the referred client. The specific referral arrangement at its details would be disclosed in compliance with SEC rule 206(4)-1(b)(1).

Referrals Out

We do not accept referral fees or any form of remuneration from other professionals when we refer a prospect or client to them.

Custody

We do not have custody of any client funds or securities.

Investment Discretion

Discretionary Authority for Trading

We manage approximately 98% of the assets under management in a non-discretionary manner. However, we do accept discretionary authority on behalf of a few clients.

For those clients, we manage the portfolio in accordance with board approved maximum sector allocations and targeted effective durations.

Prior to assuming any portfolio for which we have discretionary authority, we initiate a dialogue with the client in regards to risk tolerance. We review asset liability management reports to assess interest rate risk within the balance sheet. We then mutually set target effective durations to complement strategies. We discuss all security types allowed by regulation, receive policy limit approvals, and set targeted allocations.

Limited Power of Attorney

A limited power of attorney is a trading authorization for this purpose. We have our client sign a limited power of attorney so that we may execute the trades they approved.

Voting Client Securities

Voting Client Securities

We do not generally accept authority to vote proxies on securities. We do, however, authorize our agents to exercise discretion regarding corporate



action such as tender offers in our discretionary accounts. Further, certain large clients have requested us to vote proxies, and we have accepted such authority under limited circumstances.

We have adopted Proxy voting policies and procedures governing our responsibility to act as a fiduciary and vote client securities in the clients' best interest. Specifically, we base our voting decision exclusively on our reasonable judgment of what will serve the best financial interests of our clients. Given the nature of our investment strategies, we do not expect to become a shareholder activist, so we will generally vote with management recommendations and not engage in soliciting proxies or supporting or opposing matters before shareholders. Clients could direct their investment management team to vote in a particular manner, and they could also obtain information from us on how we voted by contacting their individual client representative. Clients may obtain a copy of our proxy voting policies and procedures upon request.

The majority of trades we execute on behalf of our clients are fixed income securities of which the majority of those are government agency or government sponsored entity debt, where proxy voting is not required.

Most non-discretionary Clients would be expected to vote their own proxies if they owned any securities requiring proxy voting.

Financial Information

Financial Condition

We have no financial impairment that would preclude us from meeting our contractual commitments to clients.

We do not need to provide a balance sheet as we do not serve as a custodian for client funds or securities.

Business Continuity Plan

Business Continuity

ALM First Financial Advisors, LLC has a business continuity plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people. An executive summary of our business continuity plan is available upon request.



Information Security Program

Information Security

ALM First Financial Advisors, LLC maintains an information security program to reduce the risk that confidential information may be breached. A copy of our Information security policy is available upon request.

Privacy Notice

ALM First Financial Advisors, LLC maintains a privacy policy to safeguard client data. A copy of our privacy notice is available on our website.



Firm Brochure Supplement

March 31, 2024

(Part 2B of Form ADV)

Emily Moré Hollis, CFA – Chief Executive Officer
Robert Perry – Principal, ALM and Investment Strategy Group
Jason Haley – Chief Investment Officer
Michael Oravetz – Senior Director, Investment Management Group
Hafizan Hamzah – Senior Director, Investment Management Group
Chris Eckhoff – Director, Investment Management Group
Rachel Acers – Director, Investment Management Group
Gleb Barkovskiy – Director, Investment Management Group
Conrad Lofton – Director, Investment Management Group
Philip Stiehl – Director, Investment Management Group
Alec Hollis – Managing Director, ALM Strategy Group
Jake Silvey – Director, Mortgage Pipeline Hedging
Tyler Madden – Senior Associate, ALM Strategy Group
Thomas Kotecki – Associate, ALM Strategy Group

Firm:

ALM First Financial Advisors, LLC
3800 Maple Avenue, Ste. 600
Dallas, TX 75219
(214) 987-0860

This brochure supplement provides information about the supervised persons named above that supplements the ALM First Financial Advisors, LLC brochure. You should have received a copy of that brochure. Please contact David Riemer, Managing Director, Operations at 214-373-1948 if you did not receive ALM First Financial Advisors, LLC's brochure or if you have any questions about the contents of this supplement.



Additional information about the supervised persons named above is available on the SEC's website at www.adviserinfo.sec.gov.

Education and Business Standards

ALM First Financial Advisors, LLC requires that advisors in its employ have a bachelor's degree and encourages further coursework demonstrating knowledge of capital markets and investments. Examples of acceptable coursework include: MBA, CFA, FRM, JD, or CPA. Additionally, advisors must have work experience that demonstrates their aptitude for and understand of investment management.

Professional Certifications

Employees have earned certifications and credentials that are required to be explained in further detail.

Chartered Financial Analyst (CFA): Chartered Financial Analysts are licensed by the CFA Institute to use the CFA mark. CFA certification requirements candidates must:

1. pass three sequential, six-hour examinations;
2. have at least four years of qualified professional investment experience;
3. join CFA Institute as members; and
4. commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.



EMILY MORE HOLLIS, CFA – Chief Executive Officer

Date of birth: 04/16/1957

Educational Background:

- Institutions: BA Texas Christian University
MBA Southern Methodist University

Business Experience:

- Chief Executive Officer, ALM First Financial Advisors, LLC (2015-Present)
- Partner, ALM First Financial Advisors, LLC (2005-2015)
- President, ALM First Financial Advisors, LLC (1995-2004)
- Vice President, Kidder Peabody Asset Management (1994-1995)
- Chief Investment Officer, Southwest Corporate Federal Credit Union (1988-1994)

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:

The Board of Directors of ALM First Financial Advisors, LLC, of which Ms. Hollis is a member, supervises the firm's activities. Emily Hollis is therefore supervised by John Graf and Vik Kalra. They hold monthly update meetings and quarterly board meetings to monitor and review the firm's activities, client relationships, and the activities of the directors, advisory services.

John Graf, Board of Directors 713-212-4600

Vik Kalra, Board of Directors 713-335-2323



ROBERT PERRY – Principal, ALM and Investment Strategy Group

Date of birth: 04/19/1966

Educational Background:

- Institutions: BBA North Carolina State University

Business Experience:

- Principal, ALM and Investment Strategy Group, ALM First Financial Advisors, LLC (2015-Present)
- Director, Advisory Services, ALM First Financial Advisors, LLC (2010-2015)
- Managing Director, ALM/Investment Strategy Division of DataTech Management (2007 – 2009)
- Chief Investment Officer, First Coastal Bank (2007)
- Principal, Smith Breeden Associates (1991-2006)

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:

Robert Perry is supervised by Emily Hollis, Chief Executive Officer. She reviews Robert Perry's work through frequent office interactions as well as formal meetings including the weekly advisory meeting and the monthly staff meeting. She also reviews his activities through written and or oral communication with Robert's clients.

Emily Hollis, Chief Executive Officer 214-451-2401



JASON HALEY – Chief Investment Officer

Date of birth: 7/18/1978

Educational Background:

- Institutions: BA University of Mississippi
MBA University of Mississippi

Business Experience:

- Chief Investment Officer, ALM First Financial Advisors (2020-Present)
- Managing Director, ALM First Financial Advisor, LLC (2008-2019)
- Fixed Income Sales, Cantor Fitzgerald (2005-2008)
- Fixed Income Sales, A.G. Edwards & Sons, Inc. (2004-2005)
- Fixed Income Sales, Coastal Securities (2003-2004)

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:

Jason Haley is supervised by Robert Perry, Principal, ALM and Investment Strategy Group. Robert Perry reviews his work through frequent office interactions as well as formal meetings including the weekly meeting and the monthly staff meeting. He also reviews his activities through written and or oral communication with Jason's clients.

Robert Perry, Principal, ALM and Investment Strategy Group 214-451-2432



MICHAEL ORAVETZ – Managing Director, Investment Management Group

Date of birth: 11/21/1991

Educational Background:

- Institutions: B.S. University of Texas at Dallas

Business Experience:

- Managing Director, Investment Management Group, ALM First Financial Advisors, LLC (2024-Present)
- Senior Director, Investment Management Group, ALM First Financial Advisors, LLC (2021-2023)
- Director, Investment Management Group, ALM First Financial Advisors, LLC (2016-2021)
- Analyst, Acquisitions & Capital Markets, Reef Oil and Gas (2015-2016)

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:

Michael Oravetz is supervised by Jason Haley, ALM First's Chief Investment Officer. He reviews Michael's work through frequent office interactions as well as formal meetings.

Jason Haley, Chief Investment Officer

214-451-2395



HAFIZAN HAMZAH – Senior Director, Investment Management Group

Date of birth: 01/03/1988

Educational Background:

- Institutions: B.S. Southern Methodist University

Business Experience:

- Senior Director, Investment Management Group, ALM First Financial Advisors, LLC (2022-present)
- Director, Investment Management Group, ALM First Financial Advisors, LLC (2010-2021)

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:

Hafizan Hamzah is supervised by Jason Haley, ALM First's Chief Investment Officer. He reviews Hafizan's work through frequent office interactions as well as formal meetings.

Jason Haley, Chief Investment Officer 214-451-2395



CHRIS ECKHOFF – Director, Investment Management Group

Date of birth: 04/14/1992

Educational Background:

- Institutions: B.S. University of Texas at Austin

Business Experience:

- Director, Investment Management Group, ALM First Financial Advisors, LLC (2022-present)
- Associate, Investment Management Group, ALM First Financial Advisors, LLC (2015-2021)

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:

Chris Eckhoff is supervised by Jason Haley, ALM First's Chief Investment Officer. He reviews Chris' work through frequent office interactions as well as formal meetings.

Jason Haley, Chief Investment Officer

214-451-2395



RACHEL ACERS – Director, Investment Management Group

Date of birth: 02/21/1995

Educational Background:

- Institutions: B.A. Rollins College

Business Experience:

- Director, Investment Management Group, ALM First Financial Advisors, LLC (2020-present)

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:

Rachel Acers is supervised by Michael Oravetz, Managing Director, Investment Management Group. He reviews Rachel's work through frequent office interactions as well as formal meetings.

Michael Oravetz, Senior Director, IMG 214-451-3496



GLEB BARKOVSKIY – Director, Investment Management Group

Date of birth: 08/18/1995

Educational Background:

- Institutions: B.A. Bucknell University

Business Experience:

- Director, Investment Management Group, ALM First Financial Advisors, LLC (2022-present)
- Associate, Investment Management Group, ALM First Financial Advisors, LLC (2020-2021)

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:

Gleb Barkovskiy is supervised by Michael Oravetz, Managing Director, Investment Management Group. He reviews Gleb's work through periodic office interactions, remote communications, as well as formal meetings.

Michael Oravetz, Senior Director, IMG

214-451-3496



CONRAD LOFTON – Director, Investment Management Group

Date of birth: 02/23/1997

Educational Background:

- Institutions: B.B.A. University of Oklahoma

Business Experience:

- Director, Investment Management Group, ALM First Financial Advisors, LLC (2022-present)
- Associate, Investment Management Group, ALM First Financial Advisors, LLC (2021-2022)
- Analyst, Investment Management Group, ALM First Financial Advisors, LLC (2020-2021)

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:

Conrad Lofton is supervised by Jason Haley, ALM First's Chief Investment Officer. He reviews Conrad's work through frequent office interactions as well as formal meetings.

Jason Haley, Chief Investment Officer

214-451-2395



PHILIP STIEHL – Director, Investment Management Group

Date of birth: 10/10/1992

Educational Background:

- Institutions: B.S.B.A. University of Arkansas

Business Experience:

- Associate, Investment Management Group, ALM First Financial Advisors, LLC (2021-present)
- Analyst, Investment Management Group, ALM First Financial Advisors, LLC (2020-2021)

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:

Philip Stiehl is supervised by Michael Oravetz, Senior Director, Investment Management Group. He reviews Philip's work through frequent office interactions as well as formal meetings.

Michael Oravetz, Senior Director, IMG

214-451-3496



ALEC HOLLIS, CFA – Managing Director, ALM Strategy Group

Date of birth: 2/23/1990

Educational Background:

- Institutions: B.A. University of Notre Dame

Business Experience:

- Managing Director, ALM First Financial Advisors, LLC (2019-Present)
- Director, ALM First Financial Advisors, LLC (2016-2019)

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:

Alec Hollis is supervised by Robert Perry, Principal, ALM and Investment Strategy Group. He reviews Alec's work through frequent office interactions as well as formal meetings.

Robert Perry, Principal, ALM and Investment Strategy Group 214-451-2432



JAKE SILVEY – Director, Mortgage Pipeline Hedging

Date of birth: 6/15/1985

Educational Background:

- Institutions: B.A. Florida State University

Business Experience:

- Director, Mortgage Pipeline Hedging, ALM First Financial Advisors, LLC (2022-present)
- VP, Hedging Analytics & Trading, RoundPoint Mortgage Servicing Corporation (2021-2022)
- VP, Hedging & Analytics, SecondaryMKT (2019-2021)

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:

Jake Silvey is supervised by Alec Hollis, Managing Director, ALM Strategy Group. He reviews Jake's work through frequent interactions as well as formal meetings.

Alec Hollis, Managing Director, ASG

214-451-2397



TYLER MADDEN – Director, ALM Strategy Group

Date of birth: 11/16/1993

Educational Background:

- Institutions: B.B.A. Texas Christian University

Business Experience:

- Director, ALM Strategy Group, ALM First Financial Advisors, LLC (2024-Present)
- Senior Associate, ALM Strategy Group, ALM First Financial Advisors, LLC (2022-2023)

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:

Tyler Madden is supervised by Alec Hollis, Managing Director, ALM Strategy Group. He reviews Tyler's work through frequent office interactions as well as formal meetings.

Alec Hollis, Managing Director, ASG

214.451.2397



THOMAS KOTECKI – Director, ALM Strategy Group

Date of birth: 6/8/1995

Educational Background:

- Institutions: B.S. University of Central Missouri

Business Experience:

- Director, ALM Strategy Group, ALM First Financial Advisors, LLC (2024-present)
- Associate, ALM Strategy Group, ALM First Financial Advisors, LLC (2019-2023)

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:

Thomas Kotecki is supervised by Alec Hollis, Managing Director, ALM Strategy Group. He reviews Thomas' work through frequent office interactions as well as formal meetings.

Alec Hollis, Managing Director, ASG

214-451-2397