

First American Financial Advisors, Inc. Wrap Fee Program Brochure

This brochure provides information about the qualifications and business practices of First American Financial Advisors, Inc.. If you have any questions about the contents of this brochure, please contact us at (505) 883-0083 or by email at: rob@firstamericanfa.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.

Additional information about First American Financial Advisors, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov. First American Financial Advisors, Inc.'s CRD number is: 170404

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Registration does not imply a certain level of skill or training.

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Item 2: Material Changes

There are no material changes in this brochure from the last annual updating amendment of First American Financial Advisors, Inc. to this wrap fee program on February 19, 2019. Material changes relate to First American Financial Advisors, Inc. policies, practices or conflicts of interests only.

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Item 4: Services Fees and Compensation

First American Financial Advisors, Inc. (hereinafter "FAFA") offers the following services to advisory clients:

A. Description of Services

FAFA participates in and sponsors a wrap fee program for certain investment management service clients. This wrap fee program allows FAFA to manage client accounts for a single fee that includes portfolio management services and custodial costs.

Selection of Other Advisers Fees

FAFA may direct clients to third-party investment advisers. FAFA will receive the following fee on top of the fee paid to the third party adviser.

Total Assets Under Management	Annual Fee
All assets	1.50%

These fees are generally negotiable and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Clients may terminate the agreement without penalty for a full refund of FAFA's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 5 days' written notice.

FAFA bills based on the balance on the first day of the billing period.

This relationship will be memorialized in each contract between FAFA and each third-party adviser. The fees will not exceed any limit imposed by any regulatory agency. The notice of termination requirement and payment of fees for third-party investment advisers will depend on the specific third-party adviser selected.

These fees are negotiable.

FAFA current allocates to the following advisers, who charge fees according to their brochures:

Delaware Capital Management
NeubergerBerman
Federated Investment Advisers

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis, or may be invoiced and billed directly to the client on a quarterly basis. Clients may select the method in which they are billed. Fees are paid in advance. The timing, frequency, and method of paying fees for selection of third-party managers will depend on the specific third-party adviser selected and will be disclosed to the client prior to entering into a relationship with the third-party advisor.

FAFA collects fees in advance. Refunds for fees paid in advance will be returned within fourteen days to the client via check, or return deposit back into the client's account.

For all asset-based fees paid in advance, the fee refunded will be the balance of the fees collected in advance minus the daily rate* times the number of days in the billing period up to and including the day of termination. (*The daily rate is calculated by dividing the annual asset-based fee rate by 365.)

B. Contribution Cost Factors

The program may cost the client more or less than purchasing such services separately. There are several factors that bear upon the relative cost of the program including the cost of the services if provided separately and the trading activity in the client's account.

C. Additional Fees

Clients who participate in the wrap fee program will not have to pay for transaction or trading fees. However, clients are still responsible for all other account fees; such as annual IRA fees to the custodian, termination fees if the account is moved to another broker, or third party adviser fees.

D. Compensation of Client Participation

Neither FAFA, nor any representatives of FAFA receive any additional compensation for the participation of client's in the wrap fee program. However, compensation received may be more than what would have been received if client paid separately for investment advice, brokerage, and to other services. Therefore, FAFA may have a financial incentive to recommend the wrap fee program to clients.

Item 5: Account Requirements and Types of Clients

FAFA generally provides its wrap fee program services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Pension and Profit Sharing Plans
- ❖ Charitable Organizations
- ❖ Corporations or Business Entities
- ❖ State or Municipal Government Entities

Minimum Account Size

There is no account minimum.

Item 6: Portfolio Manager Selection and Evaluation

A. Selecting/Reviewing Portfolio Managers

FAFA will not select any outside portfolio managers for management of this wrap fee program. FAFA will be the sole portfolio manager for this wrap fee program.

1. Standards Used to Calculate Portfolio Manager Performance

FAFA will calculate portfolio manager performance against a client/adviser approved benchmark over a 3-5 year market period.

2. Review of Performance Information

FAFA reviews the performance information to determine and verify its accuracy and compliance with presentation standards.

B. Related Persons

FAFA is the only portfolio manager for the wrap fee program as described in this brochure. As such, there are no conflicts of interest with related persons and FAFA will not select any related persons as portfolio managers for this wrap fee program.

C. Advisory Business

FAFA offers investment supervisory services to its wrap fee program participants as detailed in Section 4 above.

Portfolio Management Services

FAFA offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. FAFA creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan to aid in the selection of a portfolio that matches each client's specific situation. Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

FAFA evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

FAFA seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of FAFA's economic, investment or other financial interests. To meet its fiduciary obligations, FAFA attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, FAFA's policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is FAFA's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent, including initial public offerings ("IPOs") and other investment opportunities that might have a limited supply, among its clients on a fair and equitable basis over time.

Selection of Other Advisers

FAFA may direct clients to third-party investment advisers to manage all or a portion of the client's assets. Before selecting other advisers for clients, FAFA will always ensure those other advisers are properly licensed or registered as an investment adviser. FAFA conducts due diligence on any third-party investment adviser, which may involve one or more of the following: phone calls, meetings and review of the third-party adviser's performance and investment strategy. FAFA then makes investments with a third-party investment adviser by referring the client to the third-party adviser. FAFA will review the ongoing performance of the third-party adviser as a portion of the client's portfolio.

Performance-Based Fees and Side-By-Side Management

FAFA does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Services Limited to Specific Types of Investments

FAFA generally limits its investment advice to mutual funds, equities and treasury inflation protected/inflation linked bonds, although FAFA primarily recommends fixed income for government accounts, mostly through institutional no-load mutual funds. to a majority of its clients. FAFA may use other securities as well to help diversify a portfolio when applicable.

Client Tailored Services and Client Imposed Restrictions

FAFA will tailor a program for each individual client. FAFA uses various maturity and risk tolerances based on client needs, statutes under which they must operate and level of client education on the fixed income markets. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by FAFA on behalf of the client. FAFA may use "model portfolios" together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent FAFA from properly servicing the client account, or if the restrictions would require FAFA to deviate from its standard suite of services, FAFA reserves the right to end the relationship.

Amounts Under Management

FAFA has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$0.00	\$ 250,000,000.00	December 2019

FAFA has \$250,000.00 in assets under advisement as of December 2019.

Methods of Analysis

FAFA's methods of analysis include fundamental analysis, technical analysis, cyclical analysis and quantitative analysis.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Technical analysis involves the analysis of past market data; primarily price and volume.

Cyclical analysis involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

Quantitative analysis deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

Investment Strategies

FAFA uses long term trading.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Material Risks Involved

Methods of Analysis

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

Quantitative Model Risk: Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

Investment Strategies

Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Selection of Other Advisers: Although FAFA will seek to select only money managers who will invest clients' assets with the highest level of integrity, FAFA's selection process cannot ensure that money managers will perform as desired and FAFA will have no control over the day-to-day operations of any of its selected money managers. FAFA would not necessarily be aware of certain activities at the underlying money manager level, including without limitation a money manager's engaging in unreported risks, investment "style drift" or even regulator breach or fraud.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Risks of Specific Securities Utilized

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

Mutual Funds: Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond "fixed income" nature (lower risk) or stock "equity" nature (mentioned below).

Equity investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Voting Client Proxies

FAFA will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 7: Client Information Provided to Portfolio Managers

Robert Michael Burpo is the portfolio managers for this wrap fee program. All client information that is collected, including basic information, risk tolerance, sophistication level, and income level will be collected by Robert Michael Burpo. As that information changes and is updated, Robert Michael Burpo will have immediate access to that information once collected.

Item 8: Client Contact with Portfolio Managers

FAFA places no restrictions on client ability to contact its portfolio managers, who may be contacted during regular business hours and their contact information is on the cover page of their ADV 2B supplement brochure documents.

Item 9: Additional Information

A. Disciplinary Action and Other Financial Industry Activities

Criminal or Civil Actions

There are no criminal or civil actions to report.

Administrative Proceedings

There are no administrative proceedings to report.

Self-regulatory Organization (SR) Proceedings

There are no self-regulatory organization proceedings to report.

Registration as a Broker/Dealer or Broker/Dealer Representative

Neither FAFA nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither FAFA nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Robert Michael Burpo acts as a registered municipal adviser and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. FAFA always acts in the best interest of the client and clients are in no way required to the services of any representative of FAFA in connection with such individual's activities outside of FAFA.

Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections

FAFA may direct clients to third-party investment advisers to manage all or a portion of the client's assets. Clients will pay FAFA its standard fee in addition to the standard fee for the advisers to which it directs those clients. This relationship will be memorialized in each contract between FAFA and each third-party advisor. The fees will not exceed any limit imposed by any regulatory agency. FAFA will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. FAFA will ensure that all recommended advisers are licensed or notice filed in the states in which FAFA is recommending them to clients.

B. Code of Ethics, Client Referrals and Financial Information

Code of Ethics

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Our Code of Ethics is available free upon request to any client or prospective client.

Investing Personal Money in the Same Securities as Clients

From time to time, representatives of FAFA may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of FAFA to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. FAFA will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

Client accounts are reviewed at least monthly only by Robert Michael Burpo, President. Robert Michael Burpo is the chief advisor and is instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at FAFA are assigned to this reviewer.

Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

Content and Frequency of Regular Reports Provided to Clients

Each client will receive at least quarterly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian.

Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

FAFA does not receive any economic benefit, directly or indirectly from any third party for advice rendered to FAFA clients.

Compensation to Non – Advisory Personnel for Client Referrals

FAFA does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

Balance Sheet

FAFA does not require nor solicit prepayment of more than \$500 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither FAFA nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

Bankruptcy Petitions in Previous Ten Years

FAFA has not been the subject of a bankruptcy petition in the last ten years.

Item 10: Requirements for State Registered Advisers

Material Relationships That Management Persons Have With Issuers of Securities (If Any)

Neither FAFA, nor its management persons, has any relationship or arrangement with _____ issuers _____ of _____ securities.