

## **Firm Brochure**

(Part 2A of Form ADV)

### **ALM First Financial Advisors, LLC**

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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](mailto: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](http://www.adviserinfo.sec.gov)

**March 31, 2022**

## **Material Changes**

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### **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 23, 2021.

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### **Material Changes since the Last Update**

Since the last annual update on March 23, 2021, ALM First Financial Advisors, LLC has made the following material changes to this Brochure:

- Added discussion of Stable Value Annuity Products
- Added Insurance Companies to types of clients we serve

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### **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](mailto:info@almfirst.com).

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## Advisory Business

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### **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 for 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 owned by CEO Emily Moré Hollis, Principals, Travis Goodman, Robert Perry, Mike Ensweiler, and Kevin Kirksey, as well as Chairman of the Board, John Graf, and Platform Partners.

### **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, including for the investment companies we advise.

We generally limit our investment advice to fixed income securities. 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 net economic value 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

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 or 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.

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### **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.

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### **Assets under Management**

As of December 31, 2021, ALM First Financial Advisors, LLC managed \$68,337,196,176 in asset market value for 191 clients.

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### **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 Advisory Service 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. 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**

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### **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%)

#### **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.



<b><i>Derivative Notional Amount</i></b>	<b><i>Annual Fees</i></b>
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

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**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.

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**Fee Billing****Advisory services:**

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

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**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.

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**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**

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### **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**

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### **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 is \$50,000 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

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### 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.

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### 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.

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### 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

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### Legal and Disciplinary

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



## Other Financial Industry Activities and Affiliations

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### **Other Financial Industry Activities and Affiliations are Not Applicable**

ALM First Financial Advisors, LLC is not registered as a securities broker-dealer, or a futures commission merchant, commodity pool operator or commodity trading advisor. We have no related person affiliations with another financial institution.

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

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### **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).



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### **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**

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### **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.

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### **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.

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### **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.

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### **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**

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### **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.

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### **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.

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### **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**

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### **Incoming Referrals**

We currently have five 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 solicitor would receive a percentage of the Advisory fees paid by the referred client. The specific referral arrangement would be disclosed in a solicitor disclosure statement in compliance with SEC rule 206(4)-3.

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### **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**

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



## Investment Discretion

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### **Discretionary Authority for Trading**

We manage approximately 90% 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.

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### **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

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### **Voting Client Securities is Not Applicable**

We do not vote proxies on securities. We do, however, authorize our agents to exercise discretion regarding corporate action such as tender offers in our discretionary accounts. Security 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. Proxy voting is not required.

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



## Financial Information

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### 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

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### 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

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### 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**

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**(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  
Shahid Sattar – Senior Associate, Investment Management Group  
Conrad Lofton – Associate, Investment Management Group

### **Firm:**

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

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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](http://www.adviserinfo.sec.gov).

**March 31, 2022**

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### **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.

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### **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:

- Hold a bachelor's degree from an accredited institution or have equivalent education or work experience.
- Successful completion of all three exam levels of the CFA Program.
- Have 48 months of acceptable professional work experience in the investment decision-making process.
- Fulfill society requirements, which vary by society. Unless you are upgrading from affiliate membership, all societies require two sponsor statements as part of each application; these are submitted online by your sponsors.
- Agree to adhere to and sign the Member's Agreement, a Professional Conduct Statement, and any additional documentation requested by CFA Institute.





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**EMILY MOREÉ 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 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



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**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



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**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, specifically the Trust for Credit Unions mutual funds.

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



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**MICHAEL ORAVETZ – Senior Director, Investment Management Group**

Date of birth: 11/21/1991

Educational Background:

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

Business Experience:

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



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**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



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**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



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**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 Jason Haley, ALM First's Chief Investment Officer. He reviews Rachel's work through frequent office interactions as well as formal meetings.

Jason Haley, Chief Investment Officer

214-451-2395



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**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 Jason Haley, ALM First's Chief Investment Officer. He reviews Gleb's work through frequent office interactions as well as formal meetings.

Jason Haley, Chief Investment Officer

214-451-2395





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**SHAHID SATTAR – Senior Associate, Investment Management Group**

Date of birth: 11/17/1992

Educational Background:

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

Business Experience:

- Senior Associate, Investment Management Group, ALM First Financial Advisors, LLC (2022-present)

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision:

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

Jason Haley, Chief Investment Officer

214-451-2395



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**CONRAD LOFTON – Director, Investment Management Group**

Date of birth: 02/23/1997

Educational Background:

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

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:

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