

## VITA

ROBERT E. BROOKS

President

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### EDUCATION:

Series 7, 63 exams passed in 1999, retaken and passed in 2004.

Series 3 exam passed in 2004. All licenses related to these exams have expired.

CFA Chartered Financial Analyst – 1991

Ph.D. University of Florida – 1986 (Finance)

B.S. Florida State University – 1981 (Finance)

### PROFESSIONAL EXPERIENCES:

2000 – Present President, Financial Risk Management, LLC,  
Financial risk management consulting company  
(see [www.frmhelp.com](http://www.frmhelp.com))

7/2022 – 6/2023 Chief Investment Officer  
2ndVote Advisers, LLC

2007 – 5/2023 Wallace D. Malone, Jr. Endowed Chair of Financial Management  
University of Alabama

1997 – 5/2023 Professor of Finance  
University of Alabama

1995 – 5/2023 Coordinator, Master of Science in Finance  
University of Alabama

1/2021 – 7/2022 Oversight Committee Member, 2ndVote, Inc.  
Advisory Board Member, 2ndVote Advisers, LLC, an advisor to  
2ndVote Funds

2003 – 2014 Board Member and a Founding Partner, Blue Creek Investment  
Partners, LLC, a client-centered money management firm with a  
financial planning platform that merged with Keel Point, LLC in  
2015 (see <https://www.keelpoint.com>)

2003 – 2013 Quantitative Analyst, Blue Creek Investment Partners, LLC

1997 – 2007 SouthTrust Professor of Financial Management  
University of Alabama

2000 – 2003 Senior Quantitative Analyst, TCF, LP  
An energy risk management consulting firm

1997 – 2003	Senior Advisor Porter, White & Co., Inc., an investment banking firm
1991 – 2000	President, Financial Risk Management, Inc., Financial derivatives and market risk management consulting firm
1996 – 1997	Board of Visitors Research Fellow in Finance University of Alabama
1992 – 1997	Associate Professor of Finance University of Alabama
1989 – 1992	Assistant Professor of Finance University of Alabama
1986 – 1989	Assistant Professor of Finance Auburn University

### **SELECTED BOOKS AND RELATED MATERIALS:**

*Financial Pricing of Financial Derivatives: Theory and Analysis*, co-authored with Don Chance, (Wiley, 2023), approximately 300 pages, forthcoming.

*An Introduction to Derivatives and Risk Management*, 10<sup>th</sup> Edition, co-authored with Don Chance, (Mason, OH, Thomson South-Western, 2015), 583 pages, ISBN-13: 978-1-305-10496-9.

*Building Financial Risk Management Applications with C++*, CreateSpace Independent Publishing Platform, 370 pages, January 2013. ISBN-13: 978-1478350750.

“Valuation of Contingent Claims,” CFA® Examination Reading, Level II, CFA® Institute. Co-authored with David Gentle, 2016.

“Pricing and Valuing Forward Commitments,” CFA® Examination Reading, Level II, CFA® Institute. Co-authored with Barbara Valbussi, 2016.

### **SELECTED ARTICLES AND EDITORIALS:**

“Samuelson Hypothesis and Carry Arbitrage: U. S. and China,” *Journal of International Money and Finance*, Vol. 128 (June 2022). Co-authored with Joshua A. Brooks. Accepted in June 2022.

“Evidence of Arbitrage Trading Activity: The Case of Chinese Metal Futures Contracts,” *Emerging Markets Review*, Vol. 51, Part B, (June 2022), Article 100885. Co-authored with Yang Li. Accepted in January 2022.

“It Takes A Voluntary Village,” *National Review*, (July 28, 2021), online edition, <https://www.nationalreview.com/2021/07/it-takes-a-voluntary-village/>. Accepted in July 2021.

“Restoring the Crumbling Foundations of Corporate America,” *National Review*, (May 7, 2021), online edition, <https://www.nationalreview.com/2021/05/restoring-the-crumbling-foundations-of-corporate-america/>. Accepted in April 2021

“Samuelson Hypothesis, Arbitrage Activity, and Futures Term Premiums,” *Journal of Futures Markets*, Vol. 40, Issue 9, (September 2020) 1420-1441. Co-authored with Pavel Teterin. Accepted in April 2020. DOI: [10.1002/fut.22128](https://doi.org/10.1002/fut.22128).

“The ‘Superior Performance’ of Covered Calls on the S&P 500: Rethinking an Anomaly,” *Journal of Derivatives*, Vol. 27, Issue 2, (Winter 2019), 50-61. Co-authored with Don Chance and Michael Hemler. Accepted in September 2019. DOI: [10.3905/jod.2019.1.087](https://doi.org/10.3905/jod.2019.1.087).

“An Option Valuation Framework Based on Arithmetic Brownian Motion: Justification and Implementation Issues,” *Journal of Financial Research*, Vol. 40, No. 3, (Fall 2017), 401-427. Co-authored with Joshua A. Brooks. Accepted in May 2017. DOI: [10.1111/jfir.12129](https://doi.org/10.1111/jfir.12129).

“An Enterprise Perspective on Performance Attribution: Introducing the Keel Model,” *Journal of Risk*, Vol. 20, No. 2, (December 2017), 53-84. Accepted in November 2016. DOI: [10.21314/JOR.2017.370](https://doi.org/10.21314/JOR.2017.370).

“A General Option Valuation Approach to Discount for Lack of Marketability,” *Business Valuation Review*, Vol. 35, No. 4, (Winter 2016), 135-148. Accepted in November 2016.

“Smooth Volatility Shifts and Spillovers in U.S. Crude Oil and Corn Futures Markets,” *Journal of Empirical Finance*, Vol. 38 (Part A, September 2016), 22-36. Co-authored with Walter Enders and Pavel Teterin. Accepted in May 2016.

“A Comparison of the Information in the LIBOR and CMT Term Structures of Interest Rates,” *Journal of Banking and Finance*, Vol. 54 (2015), 239-253. Co-authored with Brandon N. Cline and Walt Enders. Accepted in January 2015.

“Samuelson Hypothesis and Carry Arbitrage,” *Journal of Derivatives*, Vol. 20, No. 2 (Winter 2012), 37-65. Accepted in October 2012.

“Private Information and the Exercise of Executive Stock Options,” *Financial Management*, Vol. 41, No. 3, (Fall 2012), 733-764. Co-authored with Don M. Chance and Brandon N. Cline. Accepted in May 2012.

“The Life Cycle View of Enterprise Risk Management: The Case of Southwest Airlines Jet Fuel Hedging,” *Journal of Financial Education* Vol. 38 (Fall/Winter) 2012, 11-23. Accepted in January 2011.

“Surplus Optimization Approach to Managing Municipal Debt,” *Public Finance Review*, Vol. 33, No. 2 (March 2005), 236-254. Accepted in October 2004.

“History of the Forecasters: An Assessment of the Semi-Annual U. S. Treasury Bond Yield Forecast Survey as Reported in *The Wall Street Journal*,” *Journal of Portfolio Management*, Vol. 31, No. 1, (Fall 2004), 113-118. Co-authored with Brian Gray. Accepted in January 2004. Listed on SSRN’s Top Ten download list for “Macroeconomic Recent Hits” and “Risk Management Recent Hits,” January, 2004.

“The Cost of Tax Policy Uncertainty: Evidence From the Municipal Swap Market,” *Journal of Fixed Income*, Vol. 12, No. 3 (December 2002), 71-87. Accepted in August 2002. Item of Interest in *The CFA Digest* (August 2003). Vol. 33, No. 3, pp. 94.

“Municipal Bonds: A Contingent Claims Perspective,” *Financial Services Review* 8(2), (1999), 71-86. Accepted in June 1999. Abstracted in *The CFA Digest* (Spring 2000). Vol. 30, No. 2, pp. 26-28.

“Financial Risk: An Alternative Biblical Perspective,” *Journal of Biblical Integration in Business* Fall 1996. Accepted in April 1996.

“Are Jumps in Stock Returns Diversifiable? Evidence and Implications for Option Pricing.” *Journal of Financial and Quantitative Analysis*, Vol. 29, No. 4, (December 1994), 609-631. Co-authored with Myung J. Kim and Young Ho Oh.

“Financial Break-Even Analysis and the Value of the Firm,” *Financial Management* 15 (September 1986), 22-26. Co-authored with Haim Levy.

#### **TEACHING AND RELATED:**

Algernon Sidney Sullivan Award, University of Alabama Premier Award, 2023.

Thomas D. Moore Endowed Teaching Award, Presented by the Culverhouse College of Commerce, April 13, 2018.

Jim Nabors Teaching Excellence Award, Presented by the Culverhouse College of Commerce, February 6, 2015.

Outstanding Commitment to Teaching Award, Presented by the National Alumni Association of The University of Alabama, 2014

Executive training in derivatives provided to Korea Development Bank, Alabama Power, Ameren Energy, Aquila, Thotwave, and Southern Wholesale Energy.

#### *Ph.D. Classes designed and/or taught:*

Dissertation Research, FI 699 (taught when needed since 1989)

Ph.D. Seminar in Financial Derivatives, FI 597 (designed and developed course, taught in Fall 2013)

Ph.D. Seminar In Investments, FI 614 (taught selectively 1989-2003)

Continuous Time Finance, FI 698 (designed and developed course, taught twice in 1991)

*MSF/MBA Classes designed and/or taught:*

Options (EMBA and PMBA, Tulane University, Fall 2017, 2018, Spring 2019, Fall 2023)  
 Financial Management for STEM MBAs, FI 504 (Fall 2017)  
 Ethics and Standards of Professional Conduct, FI 597 (designed and developed course, taught Fall 2011 through Fall 2017)  
 Financial Engineering, FI 519 (taught in 1991-1992, 1995-1998, 2004-2009, 2011-2018)  
 Financial Risk Management, FI 520 (designed and developed course, taught since 1990, and published book in 2000 and in 2013)  
 Investments (MBA Class), FI 514 (taught in 1990, 1997, and 1998)  
 Energy Risk Management, FI 497/597 (designed and developed course, taught twice in 2001 and 2003)

*Undergraduate Classes designed and/or taught:*

Financial Engineering, FI 419 (taught since 1989)  
 Advanced Investments, FI 415 (taught 2001, 2003, and 2012 – value investing focus)  
 Financial Applications in C++, FI 491 (taught in 1994)  
 Investments, FI 414 (taught selectively 1991-1994, 2022, 2023)

**DOCTORAL DISSERTATIONS CHAIRED: 17**

**DOCTORAL DISSERTATION COMMITTEE MEMBER: 24**

**ACADEMIC PROGRAM INVOLVEMENT: Approximately 85, 1986-2019**

**SELECTED OTHER PROFESSIONAL ACTIVITIES:**

Research professor, Hunan University of Finance and Economics, May-June 2018.  
 Associate Editor, *Journal of Financial Research*, January 2011 – 2017.  
 Associate Editor, *Financial Services Review*, August 2005 – May 2023.  
 Invited Testifying Witness, United States House of Representatives, Committee on Financial Services, Subcommittee on Capital Markets and Government Sponsored Enterprises, *The Impact of the Dodd-Frank Act on Municipal Finance*, July 20, 2012.  
 Webcast and written testimony available at  
<http://financialservices.house.gov/Calendar/EventSingle.aspx?EventID=303098>.  
 Panelist, U.S. Securities and Exchange Commission Municipal Finance Field Hearing, July 29, 2011. Served on two panels: Distressed Communities and Derivatives Use in Municipal Finance. Transcripts are available at  
<http://www.sec.gov/spotlight/municipalsecurities/munifieldhearing072911-transcript.txt>  
 and opening remarks available at  
<http://www.sec.gov/spotlight/municipalsecurities/statements072911.htm>.  
 Assist in warrant valuation for the Air Transportation Stabilization Board, December 2001 to December 2005.

## Litigation Support Engagements:

### Cases involving trial testimony:

June 6, 2011, Chicago, Illinois: Stafford Trading, Inc., and John S. Stafford, Jr., Plaintiffs, v. Frederick J. Lovely and Charles Pokoski, Defendants, United States District Court for the Northern District of Illinois Eastern Division, No. 05 C 4868. Deposition taken on March 30, 2007.

February 11, 2011, San Diego, California: David B. Greenberg, et al., Petitioners v. Commissioner of Internal Revenue, Respondent, United States Tax Court, Docket No. 1143-05 et al. (No deposition taken.)

### Cases involving depositions:

September 22, 2022, Birmingham, Alabama: Michael Iannone, et al., Plaintiffs v. Autozone, Inc., et al, United States District Court for the Western District of Tennessee, No. 2:19-cv-02779. October 21, 2022 follow up deposition.

April 23, 2010, Atlanta, Georgia: Murphy-Hoffman Company, Plaintiff v. Bank of America, N. A., United States District Court for the Western District of Missouri, No. 09-0227-CV-W-FJG.

April 15, 2010, Birmingham, Alabama: Richard M. Scrushy, et al., Defendants v. HealthSouth Corporation 2002 Derivative Litigation, Circuit Court of Jefferson County, Alabama, Case No. CV-02-5212 related arbitration against Ernst & Young, LLP, American Arbitration Association, Case No. 30 107 Y 00567 06.

March 23, 2004, Birmingham, Alabama: Brockman, Bruce v. ADTRAN  
In the United States District Court, Northern District of Alabama, Northeastern Division,

Rae Brockman v. ADTRAN, Inc., Case No. CV-03-J-1725-NE

Thomas Bruce v. ADTRAN, Inc., Case No. CV-03-B-1728-NE

### Cases not involving depositions:

2022-2023, Various ERISA-related cases focused on damage claims.

2013, Charlotte, North Carolina: Case requiring evaluation of econometric methods

2013, New York, New York: Case requiring an evaluation of an options-based approach to estimating the discount for lack of marketability.

2008, Birmingham, Alabama: Richard M. Scrushy, et al., Defendants v. HealthSouth Corporation 2002 Derivative Litigation, Circuit Court of Jefferson County, Alabama, Case No. CV-02-5212.

2007, Tuscaloosa, Alabama: L&A Express Markets, Inc. v. Friday Oil Company, Inc., Circuit Court of Tuscaloosa County, Alabama, Civil Action No: CV-2004-1744-JHE.

2007. McCormick Taylor, Inc. v. Sovereign Bank, Court of Common Pleas, Philadelphia County, PA, January, 2005 Term, No. 002586. (Expert report filed related to interest rate swap contracts.)

2004-2005. Four cases involving valuation of executive stock options.

2001. City of Birmingham, Alabama, et al. v. Council of the City of Birmingham, et al. Case No. 96-51817, Circuit Court of Jefferson County, Alabama. (Provided financial valuations of different contracts for the Birmingham Water Works.)

October, 1997. Doctors Hospital 1984, LTD v. Goldman Sachs & Co. Case No. 96-51817, District Court of Harris County, Texas. (Alleged violation of underwriting agreement.)

Actively consulted with several energy trading firms related to implementing risk management systems.

Widely quoted in newspapers, heard on radio, and appeared on television. Selected appearances include:

Business Alabama (July 2020), commentary on investments during COVID

<https://businessalabama.com/a-fearful-wild-ride/>

Television: ABC, Fox, NBC (Birmingham affiliates), Fox (National), NOW TV (Hong Kong)

Radio: NPR, All Things Considered, June 5, 2013, Andrew Yeager "Largest Municipal Bankruptcy In U.S. Nears End." Link: <http://www.npr.org/2013/06/05/188974128/largest-municipal-bankruptcy-in-u-s-nears-end>

Quoted in *The New York Times*, April 8, 2009 (Lewisburg, Tennessee swap transaction).

Quoted in *Birmingham Business Journal*, related to Southern Co. decision not to spin off transmission grid about September 11, 2000.

Quoted in *The Bond Buyer*, related to City of Tampa swaption trade about September 29, 1997.

Quoted in *The Wall Street Journal*, August 13, 1997 (Southeast Edition).

**PROFESSIONAL REFERENCES:**

Don M. Chance, Ph.D., CFA  
James C. Flores Endowed Chair of MBA Studies  
Professor of Finance  
E. J. Ourso College of Business  
2163 CEBA  
Louisiana State University, Baton Rouge, LA 70803-6308  
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BancorpSouth Professor of Finance  
Department of Finance and Economics  
Mississippi State University  
312K McCool Hall, P.O. Box 9580  
Mississippi State, MS 39762-9580  
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Department of Agricultural and Applied Economics  
Virginia Tech  
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<https://aaec.vt.edu/people/faculty/holt-matthew.html>