ITEM 1 – COVER PAGE

Montgomery Taylor & Company, LLC
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707.576.8700
www.montgomerytaylorwealth.com

Part 2A Brochure

April 28, 2022

This brochure provides information about the qualifications and business practices of Montgomery Taylor & Company, LLC (DBA "Montgomery Taylor Wealth Management", "we", or "firm"). If you have any questions about this brochure's contents, please contact us at (707) 576-8700. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Montgomery Taylor Wealth Management is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a particular skill or training level.

Additional information about Montgomery Taylor Wealth Management is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as an IARD number. The IARD number for Montgomery Taylor Wealth Management is #121987.

ITEM 2 – MATERIAL CHANGES

SUMMARY OF MATERIAL CHANGES

This section of the brochure will address only those "material changes" that have been incorporated since our last delivery or posting of this document on the SEC's public disclosure website (IAPD) www.adviserinfo.sec.gov.

We have made the following material changes since our last brochure, dated June 8, 2021:

- Montgomery Taylor Wealth Management is now an SEC registered investment adviser.
- There is a minimum client fee of $6,750 annually, billed quarterly, for services provided, excluding existing legacy accounts.
- Consulting fee range has been revised to $185 to $475.
- Financial Planning fee range has been revised to $4,000 to $8,000.
- Item 4 and Item 5 have been amended to include the Betterment Institutional Platform.

Currently, a free copy of our brochure may be requested by contacting Montgomery Taylor, Chief Compliance Officer of Montgomery Taylor & Company, LLC, (DBA “Montgomery Taylor Wealth Management” or “firm”), at (707) 576-8700 or by email at Monty@montgomerytaylorwealth.com.

The brochure is also available on our website www.montgomerytaylorwealth.com. We encourage you to read this document in its entirety.

ITEM 3 – TABLE OF CONTENTS

ITEM 4 – ADVISORY BUSINESS

Montgomery Taylor & Company, LLC (DBA "Montgomery Taylor Wealth Management", "we', or "firm") was registered with the California Department of Business Oversight (formerly California Department of Corporations) since 2002 and with the SEC in May of 2021. Montgomery Taylor Wealth Management is a California Limited Liability Company.

Montgomery Taylor Wealth Management is owned by:

- Montgomery Taylor – 84% owner
- Sandra Loewen – 8% owner
- Jonathan Weintraub – 8% owner

This Disclosure document is being offered to you by Montgomery Taylor Wealth Management about the investment advisory services we provide and the way those services are made available to you, the client.

We provide investment advisory services designed to protect your wealth by delivering the potential for after-tax returns, with an unprecedented level of personalized service and expertise. We offer personalized investment advisory services to individuals, high net-worth Individuals, pensions and profit-sharing plans, Trusts, estates, charitable organizations, Corporations, or other businesses ("client").

We are committed to helping clients build, manage, preserve their wealth, and provide clarity and direction to help clients achieve their stated financial goals. We will offer an initial complimentary meeting upon our discretion; however, investment advisory services are initiated only after you and Montgomery Taylor Wealth Management execute a signed Investment Management Agreement.

INVESTMENT AND WEALTH MANAGEMENT AND SUPERVISION SERVICES

We manage advisory accounts on a discretionary basis. Advice is provided through consultation with you, the client. It may include determining financial objectives, identifying financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning.

We determine your investment objectives, time horizons, risk tolerance, and liquidity needs during our initial meetings and personal discussions with clients. As appropriate, we also review your prior investment history, family composition, and background. Based upon your needs, we develop a personal profile, determine the types of investments to be included in your portfolio. Once we have determined your profile and investment plan, we will execute the day-to-day transactions without seeking your prior consent. We will use your customized investment plan to provide ongoing investment management services. Account supervision is guided and reviewed by the Adviser and reviewed on at least an annual basis.

We will make changes to the portfolio, as we deem appropriate, to meet client financial objectives. We trade these portfolios based on the combination of our market views and client objectives, using our investment process. We tailor our advisory services to meet our clients' needs and seek to ensure that your portfolio is managed in a manner consistent with those needs and objectives. Clients can leave standing instructions to refrain from investing in particular sectors or industries or invest in limited or no amounts of specified securities.

You are advised and expected to understand that our past performance is not a guarantee of future results. Certain market and economic risks exist that adversely affect an account's performance, which could result in capital losses in your account.

FINANCIAL PLANNING & CONSULTING SERVICES

In addition to investment advisory services, we provide various financial planning and consulting services to individuals, families, and other clients regarding the management of their financial resources based upon an analysis of the client's current situation, goals, and objectives. Generally, such financial planning services will involve preparing a financial plan or providing a financial consultation based on the client's financial goals and objectives. This planning or consulting may encompass one or more of the following areas: Investment Planning, Retirement Planning, Estate Planning, Charitable Planning, Education Planning, Corporate and Personal Tax Planning, Real Estate Analysis, Mortgage/Debt Analysis, Insurance Analysis, and Personal Financial Planning.

Our written financial plans or financial consultations usually include general recommendations, either verbally or in writing, for a course of activity or specific actions to be taken. For example, recommendations may be made that a client implement or revise investment programs, create or revise wills or trusts, obtain or revise insurance coverage, commence or alter retirement savings, or establish education or charitable giving programs. We may refer you to an accountant, attorney, or another specialist, as necessary for non-advisory related services. We provide a written summary of the client's financial situation, observations, and recommendations for the client's with written financial planning engagements. Plans or consultations are typically completed within two (2) months of the client signing a contract with us, assuming the client promptly provides us with all the information and documents we request. Implementation of the recommendations will be at the client's discretion.

Through the financial planning process, our team strives to engage our clients in conversations around the family's goals, objectives, priorities, vision, and legacy – both for the near term and future generations. With each family's unique goals and circumstances in mind, our team will offer financial planning ideas and strategies to address the client's holistic financial picture, including estate, income tax, charitable, cash flow, wealth transfer, and family legacy objectives. Our team partners with our client's other professional advisors (CPAs, Enrolled Agents, Estate Attorneys, Insurance Brokers, etc.) to ensure all parties' coordinated efforts toward achieving the client's stated goals. Such services include various reports on specific goals and objectives or general investment and/or planning recommendations, guidance to outside assets, and periodic updates.

Our specific services in preparing your plan may include:

- Review and clarification of your financial goals
- Assessment of your overall financial position, including cash flow, balance sheet, investment strategy, risk management, and estate planning
- Create a unique plan for each goal you have, including personal and business real estate, education, retirement or financial independence, charitable giving, estate planning, business succession, and other personal goals.
- Development of a goal-oriented investment plan, with input from various advisors regarding various tax suggestions, asset allocation, expenses, risk, and liquidity factors, including IRA and qualified plans, taxable, and trust accounts that require special attention.
- Design of a risk management plan including risk tolerance, risk avoidance, mitigation, and transfer, including liquidity as well as various insurance and possible company benefits; and
- In conjunction with your professionals, we will create and implement an estate plan to provide for you and your heirs in the event of incapacity or death.

A written evaluation of each client's initial situation or Financial Plan is provided to you. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

PONTERA

Our firm is engaged with Pontera (formerly FeeX), an unaffiliated entity, to offer service to our clients. Pontera is the third-party service provider whereby Montgomery Taylor Wealth Management provides an additional service for accounts not directly held with our recommended custodian; but where Montgomery Taylor Wealth Management does have discretion and leverages an Order Management System to implement asset allocation or rebalancing strategies on behalf of the client. These are primarily 401(k) accounts, 403(b) accounts, 529 plans, variable annuities, and other assets not held with the recommended custodian. Montgomery Taylor Wealth Management and its Financial Advisors regularly review the current holdings and available investment options in these accounts, monitors the account, rebalances, and implements our firm's strategies, as necessary.

BETTERMENT INSTITUTIONAL PLATFORM

Our firm may recommend that certain Clients implement their investment portfolios through Betterment Institutional, a division of Betterment LLC (herein "Betterment Institutional" or the "Investment Platform"). Betterment Institutional is what is often termed a "robo-advisor", an online wealth management service that provides automated, algorithm-based portfolio management advice. Robo-advisors use technology to deliver similar services as traditional advisors, but generally only offer portfolio management and do not get involved in a Client's personal situation, such as taxes and retirement or estate planning. Our firm chose to affiliate with Betterment Institutional due to the Investment Platform's customized portfolio allocations, automated rebalancing, and competitive fees. Our firm utilizes Betterment Institutional as a complement to its comprehensive financial planning services to provide cost effective investing coupled with personalized financial advice.

To establish accounts with Betterment Institutional, the Client will also enter into one or more agreements with Betterment that provides the authority for discretionary investment management by the Investment Platform. Our firm remains the Client's primary advisor and relationship contact, and our advisors are available to clients for questions and guidance. Betterment Institutional provides allocation recommendations based on the client's goals, desired risk level and investing timeline as determined by client's responses to the Betterment investor profile intake questionnaire and will construct a portfolio of ETFs and/or cash equivalents from the universe of investments included on the Investment Platform.

Our firm may have the discretionary authority to instruct Betterment Institutional with respect to portfolio construction, asset allocation and other investment decisions, subject to the limitations described herein. Betterment Institutional will implement the portfolio and be responsible for the discretionary trading of the ETFs in the Client's portfolio, including the purchase and sale of investments and the automatic rebalancing back to targets.

Betterment Institutional utilizes between ten to twelve different ETF's, representing various asset classes for the construction of investment portfolios. The Client has limited ability to put restrictions on its accounts, and to request changes to the investment allocation. The account[s] cannot contain investments that are not included in the Betterment Institutional universe of ETFs and cash equivalents.

Betterment Institutional, under its discretionary authority, will automatically adjust and rebalance the Client's accounts daily based on the drift tolerance established for the positions in the investment portfolio. The Advisor's investment philosophy is long-term, but the Advisor may make such tactical overrides to take advantage of market pricing anomalies or strong market sectors. The Advisor does not actively trade in the Client's account[s] and is also limited to entering one allocation change per account per trading day through Betterment Institutional. The Client should be aware of these potential disadvantages.

For its services, Betterment Institutional will charge an asset-based fee that is in addition to the Advisor's fee. Betterment Institutional fee includes the securities transaction fees for all trades. The Advisor will only receive its investment advisory fees as detailed in Item 5.A. below and <u>does not</u> share in any fees earned by Betterment Institutional.

The Client, prior to entering into an agreement with the Investment Platform, will be provided with the Investment Platform's Form ADV Part 2A (or a brochure that makes the appropriate disclosures). Client Account Management

Prior to engaging Our firm to provide investment advisory services, each Client is required to enter into an agreement with the Advisor that defines the terms, conditions, authority and responsibilities of the Advisor and the Client.

INSURANCE SERVICES

When appropriate, we may recommend that a client obtain insurance as part of an overall financial plan. Our firm has a relationship with DPL Financial Partners, LLC (“DPL”). By working with DPL, we can provide access to insurance reviews/analyses, education, and insurance solutions in a conflict free manner**.**

DPL is a third-party provider of a platform of insurance consultancy services to SEC-registered investment advisers (“RIAs”) that have clients with a current or future need for insurance products. DPL offers RIAs memberships to its platform for a fixed annual fee and, through its licensed insurance agents who are also registered representatives of The Leaders Group, Inc. (“The Leaders Group”), an unaffiliated SEC-registered broker-dealer and FINRA member, offers members a variety of services relating to fee- based insurance products. These services include, among others, providing members with analyses of their current methodology for evaluating client insurance needs, educating and acting as a resource to members regarding insurance products generally and specific insurance products owned by their clients or that their clients are considering purchasing, and providing members access to and product marketing support regarding fee-based products that insurers have agreed to offer to members’ clients through DPL’s platform. For providing platform services to RIAs, DPL receives service fees from the insurers that offer their fee-based products through the platform. These service fees are based on the insurance premiums received by the insurers. DPL is licensed as an insurance producer in jurisdictions where it is required to perform the platform services. Its representatives are also licensed as insurance producers, appointed as insurance agents of the insurers offering their products through the platform, and registered representatives of The Leaders Group.

Clients are under no obligation to use DPL's service and may seek insurance advice from any licensed agent. The insurance products and fee structures available from DPL may differ from those available from other third-party insurance agents. We recommend that you fully evaluate products and fee structures to determine which arrangements are most favorable to you prior to making an investment decision. We do not receive compensation for insurance products selected by the client, whether secured through DPL or any other agent.

WRAP FEE PROGRAM

We do not offer or sponsor a Wrap Fee Program.

ASSETS

As of December 31, 2021, our firm manages $121,229,683 on a discretionary basis. We do not manage assets on a non-discretionary basis.

ITEM 5 - FEES AND COMPENSATION

INVESTMENT MANAGEMENT FEES AND COMPENSATION

Our firm charges a fee as compensation for providing Investment Management services on your account. These services include advisory services, trade entry, investment supervision, and other account maintenance activities. The minimum initial account value for opening an account with our firm is $500,000. Our firm reserves the right to make exceptions, at our discretion, on a case by case basis. Our recommended custodian charges transaction costs, custodial fees, redemption fees, retirement plan, and administrative fees or commissions. Refer to the Additional Fees and Expenses section below for additional details.

Fees for private investment advisory services (the ongoing supervision and management of your investments) are based upon a percentage of assets under management. A signed Investment Advisory Agreement is necessary for this service. The graduated annual fee schedule is as follows:

- $500,000 to 1,000,000 1.35%
- $1,000,001 to $2,000,000 0.50%
- $2,000,001 to $3,000,000 0.40%
- $3,000,001 and over 0.30%

The fee will be payable quarterly in advance at one-fourth of the above rates except for a previous arrangement that bills in arrears. The first payment is due and payable upon execution of the Agreement and will be assessed pro-rata in the event the Agreement is executed other than the first day of the new calendar quarter. Subsequent payments are due and will be assessed on the first day of each calendar quarter based on the value of the portfolio as of the last day of the previous calendar quarter. Fees are billed directly to your investment account. We charge a minimum client fee of $6,750 annually, billed quarterly, for services provided, excluding existing legacy accounts.

Fees may vary based on the size of the account, the portfolio's complexity, the extent of activity in the account, or other reasons agreed upon by you, the client, and us. In certain circumstances, we may negotiate our fees and the timing of the fee payments. Our employees and their family-related accounts are charged a reduced fee for our services.

Unless otherwise instructed by the client, we will aggregate asset amounts in accounts from your same household together to determine the advisory fee for all your accounts. We would do this, for example, where we also service accounts on behalf of your minor children, individual and joint accounts for a spouse, and/or other types of related accounts. This consolidation practice is designed to allow you to benefit from an increased asset total, which could cause your account(s) to be assessed a lower advisory fee.

The independent qualified custodian holding your funds and securities will debit your account directly for the advisory fee and pay that fee to us. You will provide written authorization permitting the fees to be paid directly from your account held by the qualified custodian. Further, the qualified custodian agrees to deliver an account statement monthly directly to you indicating all the amounts deducted from the account, including our advisory fees. At our discretion, our firm will allow advisory fees to be paid by check as indicated in the Investment Advisory Agreement. You are encouraged to review your custodial account statements for accuracy.

In situations where fees cannot be billed directly through your investment account (for example, some 401(k), 403(b), 457, or other similar employer plans or annuities), alternative payment arrangements will be considered. Alternative methods include the deduction of fees from a non-qualified account, payment via third-party credit card billing platform, or payment by personal check.

Either Montgomery Taylor Wealth Management or you may terminate the management agreement immediately upon written notice to the other party. If you paid fees in advance and termination occurs during the quarter, the prorated portion of the fee not yet earned will be refunded to you.

Upon termination, you are responsible for monitoring the securities in your account, and we will have no further obligation to act or advise with respect to those assets. In the event of the client's death or disability, Montgomery Taylor Wealth Management will continue management of the account until we are notified of the client's death or disability and given alternative instructions by an authorized party.

FINANCIAL PLANNING FEES

Fees for financial planning services are based upon the scope and complexity of the work. Fees quoted to clients in an engagement letter will be honored for 30 days from the date of the letter.

- Basic Wealth Plan $4,000
- Update of Basic Wealth Plan $1,000
- Complex Wealth Plan $8,000
- Update of Complex Wealth Plan $2,000

CONSULTING FEES

Investment consultations are available and can range from $185 to $475 per hour depending on the consulting services' complexity. Consultation fees are due at the time of service. Investment Advisory Agreement is not necessary for consultations.

PONTERA SERVICES

The fee for Investment Management using Pontera will be assessed quarterly and billed quarterly. Specifically, the exact amount charged is determined by the account value of the directly managed held-away accounts, on the day the account is under our firm's management, and quarterly thereafter. Fees can be paid via check to Montgomery Taylor Wealth Management or can be invoiced and processed through a third-party nonaffiliated service, CPACharge. Clients will be asked to set up their credit card through CPACharge to enable credit card payments. While CPACharge allows our firms to receive payments directly from the client's credit card, it does not give our firm access to the client's credit information. Our firm will not initiate any unauthorized payments via CPACharge as agreed upon and outlined in our agreement with the client and CPACharge.

BETTERMENT INSTITUTIONAL PLATFORM

Investment management fees are based on the market value of assets under management, billed quarterly in arrears at an annual rate of 0.65%, pursuant to the terms of the investment management agreement. Investment advisory fees are based on the weighted average daily balances for the client's accounts multiplied by the fee rate and prorated over the time period. As noted above, the investment management fee includes the securities transaction fees for implementing and rebalancing the Client's account[s].

INSURANCE FEES

For clients who utilize DPL, our firm does not receive compensation for the referral, or any portion of the commissions paid for any products purchased. Upon a signed agreement with the client, we will manage and charge a management fee for the sub-accounts within the policy. In addition, our firm will charge a flat fee of up to $1,000 for Acquisition Assistance. Discounts may apply depending on the client's amount of assets under management.

ADDITIONAL FEES AND EXPENSES

In addition to the advisory fees paid to our firm, clients also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks, and other financial institutions (collectively "Financial Institutions"). Additional charges include custodial fees, charges imposed by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Our brokerage practices are described at length in Item 12, below.

When selecting investments for our clients' portfolios, we might choose mutual funds on your account custodian's Non-Transaction Fee (NTF) list. This means that your account custodian will not charge a transaction fee or commission associated with the mutual fund's purchase or sale.

The mutual fund companies that choose to participate in your custodian's NTF fund program pay a fee to be included in the NTF program. The fee that a mutual fund company pays to participate in the program is ultimately borne by the mutual fund owners, including clients of our firm. When we decide whether to choose a fund from your custodian's NTF list or not, we consider our expected holding period of the fund, the position size, and the expense ratio of the fund versus alternative funds. Depending on our analysis and future events, NTF funds might not always be in your best interest.

In accordance with CCR Section 260.238(j), you should be aware that lower fees for comparable services might be available from other sources.

DOL STATEMENT OF FIDUCIARY STATUS

Montgomery Taylor Wealth Management will provide, or reasonably expects to provide, services according to the contract or arrangement directly to the covered retirement plan in its role as a fiduciary and as an investment adviser registered under the United States Securities and Exchange Commission.

The advisor will not receive fees for its advisory services from any other sources except the plan sponsor, participant, and/or provider.

ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

We do not charge advisory fees on a share of the capital appreciation of the funds or securities in a client account (so-called performance-based fees), nor engage side by side management.

ITEM 7 - TYPES OF CLIENTS

We offer personalized, confidential financial planning and investment management for individuals, high net worth individuals, pensions and profit-sharing plans, Trusts, estates, and charitable organizations. As mentioned in Item 5 above, the minimum initial account value for opening an account with our firm is $500,000 however, we may accept households and accounts for less than the minimum at our sole discretion.

ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

What distinguishes our program is its personal emphasis. It is built around you—your goals, your timeframe, and your risk tolerance. As your needs change, our ongoing management process ensures that your investment portfolio evolves with you. This process is not a get-rich-quick strategy or a hot tip investment product. Instead, we employ a disciplined approach, subscribing to investment research data from established and credible sources for determining appropriate asset class weightings, sector rotation strategies, and securities selection.

MONTGOMERY TAYLOR WEALTH MANAGEMENT - PRIVATE INVESTMENT MANAGEMENT PROGRAM:

We follow a well-defined, time-proven process to increase the probability that you will meet your financial objectives. Your portfolio strategy begins with personalized investment analysis and proceeds through the portfolio construction process; multiple asset classes, numerous style allocations, and multiple specialist money managers are combined to meet your investment objectives. The result is a well-tuned, multi-step asset management process designed to respond to your individual needs while also responding to capital markets' dynamics.

A Multi-Step Asset Management Planning Process:

- Through personal consultation with you, we learn about you, your vision, values, special concerns and challenges, and your individual investment needs and objectives.
- We gather data, documents, and statements for analysis. We then develop a personalized asset allocation policy based on your needs and objectives as identified in Step 1, considering your time horizon, risk tolerance, and attitude toward investing. This policy maximizes your investment returns relative to your risk tolerance through your investments' carefully diversified allocation.
- Your investment portfolio is carefully monitored on an ongoing basis to ensure that it remains consistent with your agreed-upon asset allocation policy. If the relative value of investments in your portfolio changes enough to become inconsistent with this policy, it is rebalanced.
- We will communicate with you regularly and provide a comprehensive reporting package, including account-level performance reports and statements providing details of your account (including total asset value and a record of all transactions that occurred during the reporting period.)

- We offer quarterly performance and investment review meetings to keep up to date on life changes and changing investment needs and objectives.

Where we do not possess the expertise required to complete your engagement, we will refer you to another professional advisor.

MONTGOMERY TAYLOR WEALTH MANAGEMENT - AUTOMATED INVESTMENT PROGRAM

Montgomery Taylor Wealth Management occasionally uses an automated investment management program for small account situations. The investment management is done through an automated investment platform that streamlines deposits, rebalancing, and portfolio allocation. Accounts in the program are diversified using only exchange-traded funds (ETFs) and will include investments in U.S. and non-U.S. stocks, bonds, cash, and other liquid investments. Technology is used to ensure that the portfolio is kept within a tolerable range; triggers for rebalancing the account (market movements, new cash deposits, etc.) happen automatically.

Portfolios are suitable for investors with a minimum time horizon of five years. Capital values do fluctuate over shorter periods, and you should recognize that the possibility of capital loss does exist no matter what your investment time horizon might be. However, historical asset class return data suggests that one can minimize the risk of principal loss over a holding period of three years or longer with the portfolio's long-term investment mix.

Investors need to recognize that the objectives of the portfolio cannot be achieved without incurring a certain amount of principal volatility. The portfolio will be managed in a style-neutral (growth vs. value) manner that seeks to minimize principal fluctuations over the time horizon, and that is consistent with the portfolio's stated objectives.

Investing in securities through Montgomery Taylor Wealth Management program involves risk of loss that clients should be prepared to bear; no assurances or guarantees can be given or implied concerning future investment results. The possibility of loss accompanies the potential for profits.

RISK OF LOSS

A client's investment portfolio is affected by general economic and market conditions, such as interest rates, credit availability, inflation rates, economic conditions, changes in-laws, and national and international political circumstances.

Investing in securities may fluctuate in value or lose value, and clients should be prepared to bear the potential risk of loss. Montgomery Taylor Wealth Management will assist clients in determining an appropriate strategy based on their tolerance for risk.

Each client engagement will entail a review of the client's investment goals, financial situation, time horizon, tolerance for risk, and other factors to develop an appropriate strategy for managing a client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for analyzing a client's account(s). Montgomery Taylor Wealth Management shall rely on the financial and other information provided by the client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the client to inform our firm of any changes in financial condition, goals, or other factors that may affect this analysis.

Our methods rely on the assumption that the underlying companies within our security allocations are accurately reviewed by the rating agencies and other publicly available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Investors should be aware that accounts are subject to the following risks:

- **EQUITY SECURITIES:** For client portfolios, Montgomery Taylor Wealth Management may take both long and short positions in issuers in the United States as well as foreign (non-United States) markets, including emerging markets. Client portfolios may also be invested in pooled investment vehicles, including registered investment companies, such as mutual funds and ETFs.

- **SMALL-CAPITALIZATION COMPANY RISK:** The securities of small-capitalization companies may be subject to more abrupt or erratic market movements and may have lower trading volumes or more erratic trading than securities of larger companies or the market averages in general. The earnings and prospects of these companies are generally more volatile than larger companies. Small-capitalization companies may experience higher failure rates than do larger companies. Stocks of such companies involve higher risks in some respects than do investments in stocks of larger companies.
- **EXCHANGE TRADED FUNDS RISK:** ETFs typically trade on securities exchanges, and their shares may, at times, trade at a premium or discount to their net asset values. In addition, they may not replicate exactly the performance of the benchmark index it seeks to track for a number of reasons, including transaction costs incurred by the exchange-traded fund, the temporary unavailability of certain index securities in the secondary market, or discrepancies between the exchange-traded fund and the index with respect to the weighting of securities or the number of securities held. Investing in exchange-traded funds, which are investment companies, may involve duplication of advisory fees and certain other expenses. Client portfolios may incur brokerage costs when purchasing and selling shares of Exchange Traded Funds.
- **DIGITAL CURRENCY**: Our firm's use of digital currency in a client portfolio is limited only to publicly traded securities that passively or actively invest in digital currency assets. The shares of certain Products are also publicly quoted on OTC Markets and shares that have become unrestricted in accordance with the rules and regulations of the SEC may be bought and sold throughout the day through any brokerage account. Cryptocurrency (notably, bitcoin), often referred to as "virtual currency", "digital currency," or "digital assets," operates as a decentralized, peer-to-peer financial exchange and value storage that is used like money. If deemed appropriate, clients may have exposure to bitcoin, a cryptocurrency. Cryptocurrency operates without central authority or banks and is not backed by any government. Cryptocurrencies (i.e., bitcoin) may experience very high volatility. Cryptocurrency is also not legal tender. Federal, state, or foreign governments may restrict the use and exchange of cryptocurrency, and regulation in the U.S. is still developing. The SEC has issued a public report stating U.S. federal securities laws require treating some digital assets as securities. Cryptocurrency exchanges may stop operating or permanently shut down due to fraud, technical glitches, hackers, or malware. Due to its relatively recent launch, bitcoin has a limited trading history, making it difficult for investors to evaluate investments in this cryptocurrency. It is possible that another entity could manipulate the blockchain in a manner that is detrimental to the bitcoin network. Bitcoin transactions are irreversible such that an improper transfer can only be undone by the receiver of the bitcoin agreeing to return the bitcoin to the original sender. Digital assets are highly dependent on their developers and there is no guarantee that development will continue or that developers will not abandon a project with little or no notice. Third parties may assert intellectual property claims relating to the holding and transfer of digital assets, including cryptocurrencies, and their source code. Any threatened action that reduces confidence in a network's long-term ability to hold and transfer cryptocurrency may affect investments in cryptocurrencies. Investments in the Products are speculative investments that involve high degrees of risk, including a partial or total loss of invested funds. The shares of each Product are intended to reflect the price of the digital asset(s) held by such Product (based on digital asset(s) per share), less such Product's expenses and other liabilities. Because each Product does not currently operate a redemption program, there can be no assurance that the value of such Product's shares will reflect the value of the assets held by such Product, less such Product's expenses and other liabilities, and the shares of such Product, if traded on any secondary market, may trade at a substantial premium over, or a substantial discount to, the value of the assets held by such Product, less such Product's expenses and other liabilities, and such Product may be unable to meet its investment objective.
- **FIXED INCOME SECURITIES RISK:** Fixed income securities are subject to the risk that securities could lose value because of interest rate changes. Fixed income securities with longer maturities

are subject to greater price shifts as a result of interest rate changes than fixed income securities with shorter maturities. Fixed income securities are generally subject to credit risk (see paragraph directly below), which is the risk that an issuer will not make timely payments of principal and interest. Limited trading opportunities for certain fixed income securities may make it more difficult to sell or buy a security at a favorable price or time.

- **CREDIT RISK:** Failure of an issuer or guarantor of fixed income security, or the counterparty to a derivative transaction, to make timely interest or principal payments or otherwise honor its obligations could cause a portfolio to lose money. Similarly, a decline or perception of a decline in a bond's credit quality can cause the bond's price to fall.
- **INTEREST RATE RISK:** Prices of bonds tend to move inversely with changes in interest rates. Typically, a rise in rates will adversely affect bond prices.
- **HIGH YIELD RISK:** High yield bonds involve greater risks of default or downgrade and are more volatile than investment-grade securities. High yield bonds involve a greater risk of price declines than investment-grade securities due to actual or perceived changes in an issuer's creditworthiness. In addition, issuers of high yield bonds may be more susceptible than other issuers to economic downturns, resulting in a weakened capacity of the issuer to make principal or interest payments.
- **LACK OF LIQUIDITY:** The Adviser monitors client assets' liquidity in making decisions regarding the client investments. However, certain investments, including derivatives, may have to be held for a substantial period of time before they can be liquidated to the portfolio's greatest advantage or, in some cases, at all. Portfolios may also hold securities for which a market exists but which generally have a relatively low trading volume. Portfolios may not be able to dispose of such securities at the most favorable price or time if there is limited demand when the Adviser wishes to sell them.
- **COUNTERPARTY CREDIT RISK:** Many purchases, sales, financing arrangements, and derivative transactions in which portfolios may involve instruments that are not traded on an exchange. Rather, these instruments are traded between counterparties based on contractual relationships. As a result, the portfolio would be subject to the risk that a counterparty will not perform its obligations under the related contract. The Adviser intends to use counterparties it believes to be creditworthy, but there can be no assurance that a counterparty will not default and that a portfolio will not sustain a loss on a transaction as a result.
- **MANAGEMENT AND STRATEGY RISK:** A portfolio's ability to meet its investment objective is directly related to the Adviser's investment strategies for portfolios and multi-strategy approach. The investment process used by Montgomery Taylor Wealth Management or Managers could fail to achieve client investment objectives and cause investments to lose value.
- **MARKET SECTOR RISK:** The Adviser's investment strategy may result in significantly over or under exposure to certain industries or market sectors, which may cause a portfolio's performance to be more or less sensitive to developments affecting those industries or sectors.
- **NON-DIVERSIFICATION/CONCENTRATION:** The Adviser may invest client accounts primarily in the equity securities of a small number of issuers. Accordingly, a client's portfolio may be subject to more rapid change in value than would be the case if the Adviser elected not to concentrate on certain issuers or maintained a wider diversification among industries, geographic areas, types of securities, and issuers.
- **TRADING DECISIONS BASED ON QUANTITATIVE TECHNIQUES:** Our trading decisions are based on quantitative research utilizing fundamental inputs, and Montgomery Taylor Wealth Management conducts proprietary research that builds on the base signals. Moreover, any factor that would make it more difficult to execute trades at desired prices in accordance with the signals of the trading method or strategy (such as a significant lessening of liquidity in a particular market) would also be detrimental to profitability.
- **MODEL DEGRADATION RISK:** Like any investment process, our quantitative models are dependent on a thesis of how the markets they trade function. Suppose there is a structural shift in a market that invalidates our firm’s thesis or significantly changes the market's characteristics. In that case, the trading model will no longer be able to deliver a positive, exploitable edge. We have controls

for discontinuing a model that is no longer viable. However, there is still a risk from loss of opportunity by not trading the market and loss of capital as the model transitions from viable to unviable.

- **CROWDING/CONVERGENCE:** There is competition among quantitatively focused managers. Our ability to deliver returns that have a low correlation with equity markets and other funds depends on its ability to employ models that are simultaneously profitable and differentiated from other managers. To the extent that our firm cannot develop sufficiently differentiated models, the client's investment objectives may not be met.
- **RISK OF PROGRAMMING AND MODELING ERROR:** Our quantitative research and modeling process is complex. Although our firm seeks to hire skilled individuals and implement proper oversight, the complexity of the modeling creates an opportunity for error; one or more of such errors could adversely affect a client's portfolio and likely would not constitute a trade error under our firm's Policies.
- **CYBERSECURITY RISK:** In addition to the Material Investment Risks listed above, investing involves various operational and "cybersecurity" risks. These risks include intentional and unintentional events at our firm or one of its third-party counterparties or service providers that may result in a loss or corruption of data, result in the unauthorized release or other misuses of confidential information generally compromise our firm's ability to conduct its business. A cybersecurity breach may also result in a third-party obtaining unauthorized access to our clients' information, including social security numbers, home addresses, account numbers, account balances, and account holdings. Our firm has established business continuity plans and risk management systems designed to reduce the risks associated with cybersecurity breaches. However, there are inherent limitations in these plans and systems, including those certain risks may not have been identified, in large part because different or unknown threats may emerge in the future. As such, there is no guarantee that such efforts will succeed, especially because our firm does not directly control the cybersecurity systems of our third-party service providers. There is also a risk that cybersecurity breaches may not be detected.

ITEM 9 - DISCIPLINARY INFORMATION

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or our management's integrity.

We do not have any legal, financial or other "disciplinary" items to report.

ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Montgomery Taylor, CPA, LLP, provides tax preparation services as an individual and not as an applicant's employee. Montgomery Taylor, CPA, LLP, is a separate and distinct from that of Montgomery Taylor Wealth Management; owned by Montgomery Taylor, as an individual, offering professional tax return preparation for individuals and all business entities, including sole proprietorships, partnerships, S corporations, C corporations, trusts, and estates. Tax preparation fees are calculated based on the CPA firm's standard hourly rates plus out-of-pocket expenses and are calculated and billed separately from fees due to Montgomery Taylor Wealth Management for investment management and financial planning services. Investment management clients of Montgomery Taylor Wealth Management may be offered a discount on tax preparation services; discount percentage, if any, is determined by the level of assets under management. Montgomery Taylor spends approximately 20% of his time engaged in services related to the CPA firm.

Montgomery Taylor provides insurance services to advisory clients and others, under Montgomery Taylor & Company Insurance Solutions, as an independent insurance agent and does not work for an insurance brokerage or any other insurance company. The fees for these implementation services may be paid directly by the client. An advisor is an agent for various insurance companies and may receive a fee for transactions implemented for or on behalf of a client with these insurance companies. Since this could present a conflict of interest, we review our client's objectives and financial plans to ensure that services offered are in their best interest.

Under CCR Section 260.238(j), you should be aware that lower fees for comparable services might be available from other sources.

Our firm does not have an application pending to register as a futures commission merchant, commodity pool operator, commodity trading adviser, or an associated person of the foregoing entities.

Neither our firm nor any of its management persons are registered or have an application pending to register as a broker-dealer or a registered representative of a broker-dealer.

Clients should be aware that the ability to receive additional compensation by our firm and its management persons or employees creates conflicts of interest that impair the objectivity of the firm and these individuals when making advisory recommendations. Our firm endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps, among others, to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential for the firm and our employees to earn compensation from advisory clients in addition to the firm's advisory fees;
- we disclose to clients that they have the right to decide to purchase recommended investment products from our employees;
- we collect, maintain, and document accurate, complete, and relevant client background information, including the client's financial goals, objectives, and liquidity needs;
- the firm conducts regular reviews of each client advisory account to verify that all recommendations made to a client are in the best interest of the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by the firm; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need to have a reasonable and independent basis for clients' investment advice.

ITEM 11 - CODE OF ETHICS

Our firm and persons associated with us are allowed to invest for their own accounts or to have a financial investment in the same securities or other investments that we recommend or acquire for your account and may engage in transactions that are the same as or different than transactions recommended to or made for your account. This creates a conflict of interest. We recognize the fiduciary responsibility to act in your best interest and have established policies to mitigate conflicts of interest.

We have developed and implemented a Code of Ethics that sets forth standards of conduct expected of our advisory personnel to mitigate this conflict of interest. The Code of Ethics addresses, among other things, personal trading, gifts, and the prohibition against the use of inside information.

The Code of Ethics is designed to protect our clients from detecting and deterring misconduct, educate personnel regarding the firm's expectations and laws governing their conduct, remind personnel that they are in a position of trust and must act with complete propriety at all times, protect the reputation of Montgomery Taylor Wealth Management, safeguard against the violation of the securities laws, and establish procedures for personnel to follow so that we may determine whether their personnel are complying with the firm's ethical principles.

We have established the following restrictions in order to ensure our firm's fiduciary responsibilities:

- A director, officer, or employee of Montgomery Taylor Wealth Management shall not buy or sell any securities for their personal portfolio (s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No supervised employee of Montgomery Taylor Wealth Management shall prefer his or her own interest to that of the advisory client. Trades for supervised employees are traded alongside client accounts.

- We maintain a list of all securities holdings of anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by an appropriate officer/individual of Montgomery Taylor Wealth Management.
- We emphasize the client's unrestricted right to decline implementation of any advice rendered, except in situations where we are granted the discretionary authority of the client's account.
- We require that all supervised employees act according to all applicable Federal and State regulations governing registered investment advisory practices.
- Any supervised employee not in observance of the above may be subject to termination.

None of our associated persons may affect for himself/herself or for accounts in which he/she holds a beneficial interest, any transactions in a security which is being actively recommended to any of our clients, unless in accordance with the firm's procedures.

You may request a complete copy of our Code by contacting us at the address, telephone, or email on the cover page of this Part 2; ATTN: Montgomery Taylor, Chief Compliance Officer.

Conflict of Interest Disclosure

In accordance with CCR Section 260.238, we are required to disclose if a conflict exists between the interests of the investment advisor and the interests of the client. If so, the client is under no obligation to act upon the investment advisor's recommendation, and, if the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through the investment advisor.

Montgomery Taylor Wealth Management believes that it has disclosed all material conflicts of interest regarding the firm, our principals, representatives and employees. Conflicts of interest may include, but are not limited to, (a) compensation arrangements connected with advisory services which are in addition to the advisory fees, (b) other financial industry activities or affiliations, or (c) participation of interest in client transactions. Montgomery Taylor Wealth Management has an incentive to direct clients' assets to our firm, but also has a duty to put client interests' ahead of those of the firm, our principals, representatives and employees.

ITEM 12 - BROKERAGE PRACTICES

We generally recommend that clients utilize the custody, brokerage and clearing services of Fidelity Institutional Wealth Services ("Fidelity") for investment management accounts. We may recommend other custodians beside Fidelity based on your needs and the services offered (defined in this document as "custodian(s)").

We recommend that you establish accounts with these custodians to maintain custody of your assets and to effect trades for your accounts. Some of the products, services and other benefits provided by our custodians benefit us and may not benefit you or your account. Our recommendation/requirement that you place assets with one of these custodians may be based in part on benefits they provide us, and not solely on the nature, cost or quality of custody and execution services provided by the custodian. The custodian we utilize makes available to us other products and services that benefit us but may not benefit your accounts in every case.

Fidelity Institutional Wealth Services ("Fidelity") provides various benefits and payments to registered investment advisers that are new to the Fidelity custodial platform to assist the firm with the costs associated with starting a Registered Investment Advisory firm and transitioning the business to Fidelity. Some of the other Fidelity products and services assist us in managing and administering your accounts. These include software and technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of our fees from your account, and assist with back-office functions, recordkeeping and reporting.

We are independently owned and operated and not affiliated with these custodians. They provide us with access to their institutional trading and custody services. These services include brokerage, custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors.

You have the right to not act upon any recommendations, and if you elect to act upon any recommendations, you have the right to not place the transactions through any broker/dealer we recommend. Our recommendation is generally based on the broker's cost and fees, skills, reputation, dependability and compatibility with the client. You may be able to obtain lower commissions and fees from other brokers and the value of products, research and services given to us is not a factor in determining the selection of broker/dealer or the reasonableness of their commissions.

We place trades for your account subject to our duty to seek best execution and other fiduciary duties. You may be able to obtain lower commissions and fees from other brokers and the value of products, research and services given to us is not a factor in determining the selection of broker/dealer or the reasonableness of their commissions. The custodian's execution quality may be different than other broker-dealers.

Many of these services generally may be used to service all or a substantial number of our accounts. The custodians also make available to us other services intended to help us manage and further develop our business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, the custodians may make available, arrange and/or pay for these services rendered to us by third parties. The custodians may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to us.

While as a fiduciary, we endeavor to act in your best interest, our recommendation that you maintain your assets in accounts at our recommended custodians may be based in part on the benefit to us or the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the custodian, which may create a conflict of interest. IARs endeavor at all times to put the interest of our clients first as a part of their fiduciary duty.

There is no direct link between our participation in a custodian's platform and the investment advice we give to our clients. We/you may receive economic benefits through our participation in the platforms that may not be available to other advisors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors. The custodians may also have paid for business consulting and professional services received by some of our related persons. Some of the products and services made available by the custodians through the program may benefit us but may not benefit your account. These products or services may assist us in managing and administering your account, including accounts not maintained at the custodians. Other services made available by the custodians are intended to help us manage and further develop our business enterprise. The benefits received by our firm or our personnel through participation in the program do not depend on the amount of brokerage transactions directed to the custodians. As part of our fiduciary duties to clients, we endeavor at all times to act in the best interest of our clients. You should be aware, however, that the receipt of economic benefits by us or our related persons in and of itself creates a conflict of interest and may indirectly influence our choice of the custodians for custody and brokerage services.

Our firm annually reviews the relationship between our custodian, Montgomery Taylor Wealth Management and the client in order to determine if the custodial relationship is in the best interest of the client.

AGGREGATION AND ALLOCATION OF TRANSACTIONS

We may aggregate transactions if we believe that aggregation is consistent with the duty to seek best execution for our clients and is consistent with the disclosures made to clients and terms defined in the client Investment Advisory Agreement. No advisory client will be favored over any other client, and each account that participates in an aggregated order will participate at the average share price (per custodian) for all transactions in that security on a given business day.

1. We will aggregate trades for ourselves or our associated persons with your trades, providing that the following conditions are met:

2. Our policy for the aggregation of transactions shall be fully disclosed separately to our existing clients (if any) and the broker/dealer(s) through which such transactions will be placed;

3. We will not aggregate transactions unless we believe that aggregation is consistent with our duty to seek the best execution (which includes the duty to seek best price) for you and is consistent with the terms of our Investment Advisory Agreement with you for which trades are being aggregated.

4. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all our transactions in a given security on a given business day, with transaction costs based on each client's participation in the transaction.

5. We will prepare a written statement ("Allocation Statement") specifying the participating client accounts and how to allocate the order among those clients.

6. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the allocation statement; if the order is partially filled, the accounts that did not receive the previous trade's positions should be "first in line" to receive the next allocation.

7. Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the Allocation Statement if all client accounts receive fair and equitable treatment and the reason for difference of allocation is explained in writing and is reviewed by our compliance officer. Our books and records will separately reflect, for each client account, the orders of which aggregated, the securities held by, and bought for that account.

8. We will receive no additional compensation or remuneration of any kind because of the proposed aggregation; and

9. Individual advice and treatment will be accorded to each advisory client.

BROKERAGE FOR CLIENT REFERRALS

Our firm does not receive client referrals from any custodian or third party in exchange for using that broker-dealer or third party.

TRADE ERRORS

We have implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with our fiduciary duty, it is our policy to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole and we will absorb any loss resulting from the trade error if the error was caused by the firm. If the error is caused by the custodian, the custodian will be responsible for covering all trade error costs. If an investment gain results from the correcting trade, the gain will be held in an account to offset future potential trade error losses within the same calendar year. We will take any remaining monetary positive balance in the trade error account of that calendar year and donate those funds to a 501c3 of choice. We will never benefit or profit from trade errors.

DIRECTED BROKERAGE

We do not routinely recommend, request or require that you direct us to execute transaction through a specified broker dealer. Additionally, we typically do not permit you to direct brokerage. We place trades for your account subject to our duty to seek best execution and other fiduciary duties.

ITEM 13 - REVIEW OF ACCOUNTS

ACCOUNT REVIEWS AND REVIEWERS – INVESTMENT SUPERVISORY SERVICES

As part of our Private Investment Management Program, two kinds of reviews are conducted. The first type is conducted in conference with the client by the assigned investment advisor, and the second type supports the portfolio management process.

The client Conference Review has as its agenda the discussion of an updated report on portfolio status and performance. It includes a review of the portfolio structure (i.e., percentage currently allocated to domestic stocks, domestic bonds, international stocks, etc.). The review addresses whether the portfolio is meeting the client's objectives in view of current tax, financial and cash flow circumstances. If changes are warranted considering economic conditions or personal needs, specific recommendations are made. Client Conference Reviews are offered to private investment management clients quarterly; however, they are not mandatory.

Portfolio Management Reviews are conducted on a continuous basis. Each portfolio mix is reviewed monthly and adjusted as warranted. All mutual funds and ETFs on our recommended list are reviewed monthly for changes in relative performance, manager departures, and changes in strategy. Client statements are reviewed as issued to confirm that instructions to buy and sell were completed as directed. All account reviews are conducted by Montgomery Taylor, the firm's Investment Advisor.

STATEMENTS AND REPORTS

All clients receive monthly statements directly from the account custodian. In addition, private investment management clients receive internally generated reports prepared by Montgomery Taylor Wealth Management, on a quarterly basis. As part of our investment advisory agreement and through your agreement with the custodian, you give us authority on your account to manage your portfolio on a discretionary basis. We do not contact you each time we buy or sell securities for your account; however, we do act in accordance with your IPS and your needs and goals.

These reports show opening balance, gain/loss, funds deposited by the client, funds withdrawn by the client, fees paid to Montgomery Taylor Wealth Management, and ending balance. Reports also show unrealized gains or losses, and gains or losses since the beginning of the year. Realized gains/losses, along with their tax basis, are provided at year end.

We will assist private investment management clients in preparation of an Investment Policy Statement (IPS), which outlines your investment goals and objectives. We use your IPS as a guideline in managing your investments.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

CLIENT REFERRALS

Our firm may pay referral fees to independent persons or firms ("Solicitors") for introducing clients to us. Whenever we pay a referral fee, we require the Solicitor to provide the prospective client with a copy of this document (our firm Brochure) and a separate disclosure statement that includes the following information:

- the Solicitor's name and relationship with our firm;
- the fact that the Solicitor is being paid a referral fee;
- how the fee is calculated (i.e., based on a percentage of respective management fees received or a fixed amount); and
- the fact that we do not increase the management fee charged to the referred client above our normal fee schedule to compensate the Solicitor.

As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased because of any referral.

OTHER COMPENSATION

As referenced in Item 12 above, we may receive an indirect economic benefit from our custodian without cost (and/or at a discount) and may receive support services and/or products from our custodian.

From time to time, we may receive expense reimbursement for travel and/or marketing expenses from distributors of investment products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing, such as advertising, publishing, and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made.

ITEM 15 – CUSTODY

We do not have physical custody, as it applies to investment advisors. Custody has been defined by regulators as having access or control over client funds and/or securities.

DEDUCTION OF ADVISORY FEES

For all accounts, our firm has the authority to have fees deducted directly from client accounts. Our firm has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients, or an independent representative of the client, will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address, and the way the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. You should carefully review those statements and are urged to compare the statements against reports received from Montgomery Taylor Wealth Management. When you have questions about your account statements, you should contact Montgomery Taylor or the qualified custodian preparing the statement.

Please refer to Item 5 for more information about the deduction of advisory fees.

STANDING LETTERS OF AUTHORIZATION ("SLOA")

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment advisor has the ability to access or control client funds or securities, the investment advisor is deemed to have custody and must ensure proper procedures are implemented.

While our firm does not maintain physical custody of client assets (which are maintained by a qualified custodian, as discussed above), we are deemed to have custody of certain client assets if given the authority to withdraw assets from client accounts, as further described below under “Standing Instructions”. All our clients receive account statements directly from their qualified custodian(s) at least quarterly upon opening of an account. We urge our clients to carefully review these statements. Additionally, if our firm decides to send its own account statements to clients, such statements will include a legend that recommends the client compare the account statements received from the qualified custodian with those received from our firm. Clients are encouraged to raise any questions with us about the custody, safety or security of their assets and our custodial recommendations.

The SEC issued a no ‑ action letter (“Letter’) with respect to the Rule 206(4) ‑ 2 (“Custody Rule”) under the Investment Advisers Act of 1940 (“Advisers Act”). The letter provided guidance on the Custody Rule as well as clarified that an adviser who has the power to disburse client funds to a third party under a standing letter of instruction (“SLOA”) is deemed to have custody. As such, our firm has adopted the following safeguards in conjunction with our custodians:

- The client provides an instruction to the qualified custodian, in writing, that includes the client’s signature, the third party’s name, and either the third party’s address or the third party’s account number at a custodian to which the transfer should be directed.
- The client authorizes the investment adviser, in writing, either on the qualified custodian’s form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
- The client’s qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client’s authorization and provides a transfer of funds notice to the client promptly after each transfer.
- The client has the ability to terminate or change the instruction to the client’s qualified custodian.
- The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client’s instruction.
- The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.
- The client’s qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

Montgomery Taylor Wealth Management is deemed to have custody of client funds and securities whenever Montgomery Taylor Wealth Management is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody Montgomery Taylor Wealth Management will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

Account statements are delivered directly from the qualified custodian to each client, or the client’s independent representative, at least quarterly. You should carefully review those statements and are urged to compare the statements against reports received from Montgomery Taylor Wealth Management. When you have questions about your account statements, you should contact Montgomery Taylor Wealth Management or the qualified custodian preparing the statement.

ITEM 16 – INVESTMENT DISCRETION

As previously disclosed in Item 4 of this brochure, our firm provides discretionary, and occasionally non-discretionary, asset management services.

For discretionary accounts, prior to engaging Montgomery Taylor Wealth Management to provide investment advisory services, you will enter a written Agreement with us granting the firm the authority to supervise and direct, on an ongoing basis, investments in accordance with the client's investment objective and guidelines. In addition, you will need to execute additional documents required by the custodian to authorize and enable Montgomery Taylor Wealth Management, in its sole discretion, without prior consultation with or ratification by you, to purchase, sell, or exchange securities in and for your accounts. We are authorized, in our discretion and without prior consultation with you to (1) buy, sell, exchange, and trade any stocks, bonds, or other securities or assets and (2) determine the number of securities to be bought or sold, and (3) place orders with the custodian. Any limitations to such discretionary authority will be communicated to our firm in writing by you, the client.

The limitations on investment and brokerage discretion held by our firm for you are:

- For discretionary accounts, we require that we be provided with authority to determine which securities and the amounts of securities to be bought or sold.
- Any limitations on this discretionary authority shall be in writing as indicated on the investment advisory Agreement. You may change/amend these limitations as required.

In some instances, we may not have discretion. We will discuss all transactions with you prior to execution, or you will be required to make the trades if in an employer sponsored account.

ITEM 17 – VOTING YOUR SECURITIES

We will not vote proxies on your behalf. You are welcome to vote proxies or designate an independent third-party at your own discretion. You designate proxy voting authority in the custodial account documents. You must ensure that proxy materials are sent directly to you or your assigned third party. We do not take action with respect to any securities or other investments that become the subject of any legal proceedings, including bankruptcies. Clients can contact our office with questions about a particular solicitation by phone at (707) 576-8700 or email Monty@montgomerytaylorwealth.com.

CLASS ACTION SUITS

A class action is a procedural device used in litigation to determine the rights of and remedies, if any, for large numbers of people whose cases involve common questions of law and/or fact. Class action suits frequently arise against companies that publicly issue securities, including securities recommended by investment advisors to clients. With respect to class action suits and claims, we will neither advise nor act on behalf of the client in legal proceedings. You, the client (or your agent), will have the responsibility for class actions or bankruptcies involving securities purchased for or held in your account. We do not provide such services and are not obligated to forward copies of class action notices we may receive to you or your agents.

ITEM 18 – FINANCIAL INFORMATION

We do not require or solicit prepayment of more than $1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, we have not been the subject of a bankruptcy petition at any time.