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January 23, 2024

FORM ADV PART 2A BROCHURE

This brochure provides information about the qualifications and business practices of Montlake Financial Services, LLC. If you have any questions about the contents of this brochure, contact us at 480-305-2072. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Montlake Financial Services, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Montlake Financial Services, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since the filing of our last annual updating amendment dated February 10, 2023, we have no material changes to report.

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Item 4 Advisory Business

Description of Firm

Montlake Financial Services, LLC is a registered investment adviser based in Scottsdale, Arizona. We are organized as a Limited Liability Company (LLC) under the laws of the State of Arizona, and we have been providing investment advisory services since November 2014. Jon A. Munson is the sole owner of our firm.

The following paragraphs describe our services and fees. Refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we", "our" and "us" refer to Montlake Financial Services, LLC and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm. The use of these terms is not intended to imply that there is more than one individual associated with this firm.

Portfolio Management Services

Our firm offers portfolio management services for clients within the larger context of an overall disciplined financial and wealth management process. Portfolio management services consist of ongoing financial advice and discretionary portfolio management services where investment advice is tailored to meet your individual circumstances and investment objectives. These services include an initial discovery consultation, ongoing review consultations and specialized follow-up consultations, as may be agreed, to discuss your unique financial situation and changing needs over time. We will ask that you complete certain investor questionnaires, on-boarding forms, and/or other documents to assist us in gathering information about your financial needs and circumstances. This would include your investment experience, investment objectives, time horizon, liquidity needs, risk tolerance, tax circumstances, and various other financial factors necessary for us to develop a complete investor profile.

Based on our evaluation of the foregoing factors, we will construct an investment portfolio for you, we will monitor your portfolio's performance on an ongoing basis and will rebalance the portfolio as appropriate. Clients are required to notify our firm immediately if their financial circumstances and/or investment objectives change from what has already been disclosed to our firm.

In order to provide discretionary portfolio management services, we require you to grant our firm discretionary authority to manage your account. Discretionary authorization allows us to determine the specific type and quantity of securities to be purchased or sold for your account without your approval prior to each transaction. In limited circumstances, and only upon our approval, we may accept client imposed restrictions on investing in certain specific securities or types of securities.

Our firm does not sponsor or manage wrap fee programs.

Please see Items 8 and 12 of this Disclosure Brochure for more information on our firm's investment strategies and brokerage practices, respectively.

Stand-Alone Financial Consulting Services

In certain circumstances, we may provide financial consulting services as a stand-alone service. These services typically involve a variety of advisory services regarding the management of the client's financial resources based upon an analysis of their individual needs. If you retain our firm for consulting services only, we will meet with you to gather information about your financial circumstances and objectives. As required and/or agreed upon, we will conduct follow-up interviews for

the purpose of reviewing and/or collecting additional financial data. Once such information has been reviewed and analyzed, we will provide you with our financial recommendations tailored to help you achieve your stated financial goals and objectives.

Financial recommendations are based on your financial situation at the time we provide our recommendations, and on the financial information that you provide to our firm. You have the right to accept or reject our financial recommendations, and you may choose any firm to assist you with implementing our recommendations

Types of Investments

We primarily offer advice on mutual funds and exchange traded funds (ETFs). Additionally, we may advise you on various types of investments based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

Assets Under Management

As of January 18, 2024, we provide continuous management services for \$79,815,979 in client assets on a discretionary basis, and \$0 in client assets on a non-discretionary basis. We also manage \$26,227,136 in client assets on a non-continuous basis.

Item 5 Fees and Compensation

Portfolio Management Services

Our fee for portfolio management services is based on a percentage of the assets in your account and is set forth in the following annual blended tiered fee schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>
Up to \$500,000	1.00%
On the next \$2,500,000	0.70%
Over \$3,000,000	0.20%

Our annual portfolio management fee is typically billed and payable quarterly in arrears based on the value of your account on the last business day of the calendar quarter. If the portfolio management agreement is executed at any time other than the first day of a calendar quarter our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. In our sole discretion, we may negotiate our advisory fee depending on a client's individual circumstances, but will never be higher than the above fee schedule.

We will combine the account values of family members living in the same household to determine the applicable advisory fee (unless instructed otherwise by the client). For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints in our tiered fee schedule stated above.

We will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when the following requirements are met:

- You provide our firm with written authorization permitting the fees to be paid directly from your account held by the qualified custodian.
- We send you a fee statement showing the amount of the fee, the value of the assets on which

the fee is based, and the specific manner in which the fee was calculated.

- The qualified custodian agrees to send you a statement, at least quarterly, indicating all amounts dispersed from your account including the amount of the advisory fee paid directly to our firm.

If you find any inconsistent or inaccurate information within these statement(s), please call our main office number located on the cover page of this Disclosure Brochure.

Either party may terminate the agreement upon 15-days' written notice to the other party. Clients will incur a pro rata charge for services rendered prior to the termination of the agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client.

Stand-Alone Financial Consulting Services

We offer financial consulting services for an hourly fee of \$475, which is negotiable. Our hourly fees are generally due upon completion of services rendered. In our sole discretion, we may negotiate other fee paying arrangements. All important terms will be evidenced in the agreement that you sign with our firm.

You may terminate the financial consulting agreement by providing written notice to our firm. You will incur a pro rata charge for services rendered prior to the termination of the agreement.

Additional Fees and Expenses

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, refer to the *Brokerage Practices* section of this brochure.

Item 6 Performance-Based Fees and Side-By-Side Management

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of a capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the *Fees and Compensation* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Item 7 Types of Clients

We offer investment advisory services to individuals (other than high net worth individuals), high net worth individuals, charitable organizations and corporations or other businesses.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

Our Methods of Analysis and Investment Strategies

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

Fundamental Analysis - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

Risk: The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

Modern Portfolio Theory (MPT) - a theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully diversifying the proportions of various assets.

Risk: Market risk is that part of a security's risk that is common to all securities of the same general class (stocks and bonds) and thus cannot be eliminated by diversification.

Long-Term Purchases - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

Risk: Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

Short-Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

Risk: Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform in the short-term which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Any restrictions and/or investment guidelines imposed by you may affect the composition of your portfolio.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Recommendation of Particular Types of Securities

We primarily recommend mutual funds and exchange traded funds. However, we may advise on other types of investments as appropriate for you since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with the investment.

Mutual Funds and ETFs: Mutual funds and exchange traded funds (ETFs) are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. Exchange traded funds differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely whereas "closed end" funds have a fixed number of shares to sell which can limit their availability to new investors.

Item 9 Disciplinary Information

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

Item 10 Other Financial Industry Activities and Affiliations

Arrangements with Affiliated Entities

We are affiliated with Jon A. Munson, CPA (sole proprietor) through common control and ownership. If you require accounting services, we may recommend that you use the services of our affiliated accounting firm. Our advisory services are separate and distinct from the compensation paid to our affiliated accounting firm for their services. While we believe that compensation charged by our affiliated accounting firm is competitive, such compensation may be higher than fees charged by other firms providing the same or similar services. You are under no obligation to use our affiliate's services and may obtain comparable services and/or lower fees through other firms.

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Description of Our Code of Ethics

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm. Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

Participation or Interest in Client Transactions

Neither our firm nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

Item 12 Brokerage Practices

Brokerage Relationships

We typically recommend the brokerage and custodial services of Shareholders Service Group and Pershing, LLC, respectively, along with the Vanguard Group. While you are free to choose any broker-dealer or other service provider as your custodian, we recommend that you establish an account with a brokerage firm with which we have an existing relationship. Such relationships may include benefits provided to our firm, including but not limited to market information and administrative services that help our firm manage your account(s). We believe that the recommended broker-dealers provide quality execution services for our clients at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by recommended broker-dealers/custodians, including the value of the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of the services recommended broker-dealers provide, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

We are not affiliated with the custodian and/or broker-dealer we recommend. The custodian and/or broker-dealer we recommend does not supervise our firm, its agents or activities.

Research and Other Soft Dollar Benefits

We do not have any soft dollar arrangements

Economic Benefits

As a registered investment adviser, we may have access to the institutional platform of your account custodian. Consequently, we may also have access to research products and services from your account custodian and/or other brokerage firm. Such research products and services are provided to all investment advisers that utilize the institutional services platforms of these firms, and are not considered to be paid for with soft dollars. However, you should be aware that the commissions charged by a particular broker for a particular transaction or set of transactions may be greater than the amounts another broker who did not provide research services or products might charge.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Directed Brokerage

In limited circumstances, and at our discretion, some clients may instruct our firm to use one or more particular brokers for the transactions in their accounts. If you choose to direct our firm to use a particular broker, you should understand that this might prevent our firm from aggregating trades with other client accounts or from effectively negotiating brokerage commissions on your behalf. This practice may also prevent our firm from obtaining favorable net price and execution. Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that you will obtain through your broker are adequately favorable in comparison to those that we would otherwise obtain for you.

Block Trades

Transactions for each client generally will be effected independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. We may, but are not obligated to, combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs on any given day.

Trade Errors

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

Item 13 Review of Accounts

Portfolio Management Services

Jon A. Munson will monitor your account(s) on an ongoing basis unless otherwise negotiated in the client agreement. Mr. Munson will conduct account reviews on a periodic basis and upon your request to ensure that the advisory services provided to you are consistent with your stated investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to: contributions and withdrawals; year-end tax planning; market moving events; security specific events; and/or, changes in your risk/return objectives. Generally, we do not provide you with additional or regular written reports in conjunction with account reviews. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

Stand-alone Financial Planning Services

Jon A. Munson will review stand-alone financial planning services provided to you as needed, depending on the arrangements made with you at the inception of your advisory relationship to ensure that the planning advice and/or asset allocation recommendations made to you are consistent with your stated investment needs and objectives. If we have prepared a stand-alone financial plan for you, we recommend meeting with you at least annually to review and update your plan if needed. Additional

reviews will be conducted upon your request. Such reviews and updates will be subject to a new engagement with our firm, and you will need to sign a new client agreement with our firm. We will not provide regular written reports for financial planning and consulting services.

Item 14 Client Referrals and Other Compensation

We do not receive any compensation from any third party in connection with providing investment advice to you nor do we compensate any individual or firm for client referrals.

Refer to the *Brokerage Practices* section above for disclosures on research and other benefits we may receive resulting from our relationship with your account custodian.

Item 15 Custody

Payment of Advisory Fees for Separately Managed Accounts

Unless we invoice you directly, we will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when you have given our firm and the account custodian written authorization permitting the fees to be paid directly from your account. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other acting qualified custodian. You will receive account statements from the acting custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy. If you have a question regarding your account statement, or if you did not receive a statement from your custodian, contact us immediately at the telephone number on the cover page of this brochure.

We are not affiliated with the custodian. The custodian does not supervise our firm, its agents or activities.

Item 16 Investment Discretion

If you engage us to perform discretionary management services, you must first sign our discretionary management agreement before we can buy or sell securities on your behalf. Discretionary authorization enables our firm to exercise discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security.

Item 17 Voting Client Securities

Proxy Voting

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of applicable securities, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

Item 18 Financial Information

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and, we do not require the prepayment of more than \$500 in fees six or more months in advance nor have we filed a bankruptcy petition at any time in the past ten years. Therefore, we are not required to include a financial statement with this brochure.

Item 19 Requirements for State-Registered Advisers

Please refer to the applicable Part 2B Brochure Supplement for background information about our principal officer, management personnel and those giving advice on behalf of our firm.

Our firm is affiliated with an accounting firm. For information, please refer to *Other Financial Industry Activities and Affiliations* above.

Neither our firm, nor any persons associated with our firm are compensated for advisory services with performance-based fees. Refer to the *Performance-Based Fees and Side-By-Side Management* section above for additional information on this topic.

Neither our firm, nor any of our management person has any reportable arbitration claims, civil, self-regulatory organization proceedings, or administrative proceedings.

Neither our firm, nor any of our management personnel have a material relationship or arrangement with any issuer of securities.

Item 20 Additional Information

Your Privacy

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any non-public personal information about you to any non-affiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to non-public personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your non-public personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Contact our main office at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

Class Action Lawsuits

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.

IRA Rollover Considerations

As part of our investment advisory services to you, we may recommend that you withdraw the assets from your employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that we will manage on your behalf. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset based fee as set forth in the agreement you executed with our firm. This practice presents a conflict of interest because persons providing investment advice on our behalf have an incentive to recommend a rollover to you for the purpose of generating fee based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of:

1. Leaving the funds in your employer's (former employer's) plan.
2. Moving the funds to a new employer's retirement plan.
3. Cashing out and taking a taxable distribution from the plan.
4. Rolling the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney.

If you are considering rolling over your retirement funds to an IRA for us to manage here are a few points to consider before you do so:

1. Determine whether the investment options in your employer's retirement plan address your needs or whether you might want to consider other types of investments.
 1. Employer retirement plans generally have a more limited investment menu than IRAs.
 2. Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. Your current plan may have lower fees than our fees.
 1. If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
 2. You should understand the various products and services you might take advantage of at an IRA provider and the potential costs of those products and services.
3. Our strategy may have higher risk than the option(s) provided to you in your plan.
4. Your current plan may also offer financial advice.
5. If you keep your assets titled in a 401k or retirement account, you could potentially delay your required minimum distribution beyond a certain age.
6. Your 401k may offer more liability protection than a rollover IRA; each state may vary.
 1. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult with an attorney if

you are concerned about protecting your retirement plan assets from creditors.

7. You may be able to take out a loan on your 401k, but not from an IRA.
8. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
9. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.
10. Your plan may allow you to hire us as the manager and keep the assets titled in the plan name.

It is important that you understand the differences between these types of accounts and to decide whether a rollover is best for you. Prior to proceeding, if you have questions contact your investment adviser representative, or call our main number as listed on the cover page of this Disclosure Brochure.

IRA Rollover Recommendations

For purposes of complying with the DOL's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02") where applicable, we are providing the following acknowledgment to you.

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

We benefit financially from the rollover of your assets from a retirement account to an account that we manage or provide investment advice, because the assets increase our assets under management and, in turn, our advisory fees. As a fiduciary, we only recommend a rollover when we believe it is in your best interest.

Jon Allen Munson CPA, PFS

Montlake Financial Services, LLC

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December 4, 2023

**FORM ADV PART 2B
BROCHURE SUPPLEMENT**

This brochure supplement provides information about Jon Allen Munson that supplements the Montlake Financial Services, LLC brochure. You should have received a copy of that brochure. Contact us at 480-305-2072 if you did not receive Montlake Financial Services, LLC's brochure or if you have any questions about the contents of this supplement.

Additional information about Jon Allen Munson is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Educational Background and Business Experience

Jon Allen Munson

Year of Birth: 1964

Formal Education After High School:

- University of Washington, BA Business Administration, 1987

Business Background:

- Montlake Financial Services, LLC, Managing Member, 8/2014 - Present
- Stardust Foundation, Inc., Secretary & Treasurer, 03/2005 - Present
- Stardust Companies, Vice President of Finance, 11/2002 - 09/2016
- Jon A. Munson, CPA, Sole Proprietor, 10/2013 - Present

Certifications: **CPA, PFS**

Certified Public Accountant (CPA) - CPA's are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include minimum college education (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA), and successful passage of the Uniform CPA Examination. In order to maintain a CPA license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two year period or 120 hours over a three year period). Additionally, all American Institute of Certified Public Accountants (AICPA) members are required to follow a rigorous *Code of Professional Conduct* which requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services. The vast majority of state boards of accountancy have adopted the AICPA's *Code of Professional Conduct* within their state accountancy laws or have created their own.

In addition to the *Code of Professional Conduct*, AICPA members who provide personal financial planning services are required to follow the *Statement on Standards in Personal Financial Planning Services* (SSPFPS).

Personal Financial Specialist (PFS) - The PFS credential is administered through the American Institute of Certified Public Accountants (AICPA). The PFS credential demonstrates that an individual has met the minimum education, experience and testing required of a CPA in addition to a minimum level of expertise in personal financial planning. To attain the PFS credential, a candidate must hold an unrevoked CPA license, certificate, or permit, none of which are in inactive status; fulfill 3,000 hours of personal financial planning business experience; complete 75 hours of personal financial planning CPE credits; pass a comprehensive financial planning exam and be an active member of the AICPA. A PFS credential holder is required to adhere to AICPA's *Code of Professional Conduct* and the *Statement on Standards in Personal Financial Planning Services*, when providing personal financial planning services⁴. To maintain their PFS credential, the recipient must complete 60 hours of financial planning CPE credits every three years.

Item 3 Disciplinary Information

Mr. Jon Allen Munson does not have any reportable disciplinary disclosure.

Item 4 Other Business Activities

Jon Allen Munson is Secretary & Treasurer of Stardust Foundation, Inc., a not for profit Arizona corporation that operates as a private foundation. The Stardust Foundation provides grants to organizations that impact the linked concepts of family and neighborhood stability. Mr. Munson's duties as the Secretary & Treasurer for Stardust Foundation, Inc. are separate and apart from his role with our firm and do not create a conflict of interest to his provision of advisory services through Montlake Financial Services, LLC.

Mr. Munson is also a CPA with Jon A. Munson, CPA, a sole proprietor. If you require accounting services, we may recommend that you use the services of our affiliated accounting firm. Our advisory services are separate and distinct from the compensation paid to Mr. Munson for his accounting services. While we believe that compensation charged by our affiliated accounting firm is competitive, such compensation may be higher than fees charged by other firms providing the same or similar services. You are under no obligation to use Mr. Munson for accounting services in his separate capacity as a CPA, and you may obtain comparable services and/or lower fees through other firms.

Item 5 Additional Compensation

Refer to the *Other Business Activities* section above for disclosures on Mr. Munson's receipt of additional compensation as a result of his other business activities.

Also, refer to the *Fees and Compensation, Client Referrals and Other Compensation, and Other Financial Industry Activities and Affiliations* section(s) of Montlake Financial Services, LLC's firm brochure for additional disclosures on this topic.

Item 6 Supervision

As the Managing Member of Montlake Financial Services, LLC, Jon Allen Munson supervises the advisory activities of our firm. Jon Allen Munson can be reached at 480-305-2072.

Item 7 Requirements for State Registered Advisers

Jon Allen Munson does not have any reportable arbitration claims, has not been found liable in a reportable civil, self-regulatory organization or administrative proceeding, and has not been the subject of a bankruptcy petition.