Montgomery Financial Planning LLC

Use of Artificial Intelligence

Our firm uses generative artificial intelligence ("AI") as one of many software tools that make up our technology systems. We believe our clients should know how these tools are used, and we have adopted this policy to describe our practices. We use AI only to support research, administrative and back-office work. We never use AI to produce financial advice automatically, and all work prepared with the assistance of AI is reviewed and verified by a qualified member of our firm before it is delivered to a client.

Human Review and Fiduciary Responsibility

As a fiduciary, our firm has a duty to act in the best interest of each client. An AI tool cannot fulfill that duty. It does not exercise human judgment, it does not understand a client's personal circumstances, and it cannot be held accountable for its work. AI tools are also known to produce information that appears confident but is inaccurate. For these reasons, we require human review of all AI-assisted work, as follows:

AI will not independently prepare a client's financial plan, make investment recommendations, determine tax strategies, or place trades on a client's behalf; and

Every calculation, retirement projection and recommendation prepared with the assistance of AI is independently reviewed, verified and approved by a qualified professional at our firm before it is presented to a client.

Privacy and Protection of Client Information

We view the protection of our clients' non-public personal information as a top priority. Our use of AI is subject to the same obligations that apply to all client information, including the requirements of the SEC's Regulation S-P and our Privacy and Protection of Client Information policy. In particular:

Supervised Persons are prohibited from using free or consumer versions of AI tools (for example, the free public version of ChatGPT) for any work involving client information. Client personal data, financial statements and meeting notes are not used to train AI models;

We use only business or enterprise versions of AI software in which data is encrypted and protected by written confidentiality terms with the provider; and

We maintain a written incident response program. If client information is accessed or used without authorization, whether at our firm or at one of our service providers, we will take immediate steps to contain the incident and will notify affected clients as required by law, and in any event no later than 30 days after we become aware of it.

Third-Party Service Providers

Before using any AI provider with our systems or client information, we conduct a due diligence review of the provider's policies and procedures, and we continue to monitor our providers on an ongoing basis. AI providers are contractually required to notify us of any unauthorized access to or use of client information as soon as possible, but no later than 72 hours after becoming aware of such breach. We also review where our AI providers process and store data, and we give preference to providers that keep client data on secure servers located in the United States.

Questions

Clients with questions about this policy or about how our firm uses AI are encouraged to contact us directly.