



MontVue Capital Management

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www.MontVue.com

Form ADV – Part 2A December 31, 2016

This brochure provides information about the qualifications and business practices of MontVue Capital Management. If you have any questions about the contents of this brochure, please contact us at 434-455-2795. 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 MontVue Capital Management also is available on the SEC's website at:
www.adviserinfo.sec.gov.

Material Changes (item 2)

December 31, 2016

We are pleased to provide our Advisory Practices Disclosure Statement (“Disclosure Statement”), which contains important information about our business practices as well as a description of potential conflicts of interest relating to our advisory business which could affect your account with us. This Disclosure Statement is updated annually or more often if material changes occur. You may always request a copy.

We are providing this material in accordance with a Securities and Exchange Commission ruling in July 2010 that requires firms like ours to issue a narrative brochure in “plain English” format. As you review the material, you will see references to specific item numbers. These item numbers reference disclosure requirements from the Securities and Exchange Commission. Future updates to this Disclosure Statement may be obtained by written request to MontVue Capital Management, Attn: Chief Compliance Officer.

Thank you for your interest in MontVue Capital Management. If you have any questions about the information in this statement, please contact me.

Respectfully yours,

Sarah U. Burnett
sburnett@montvue.com

3708 Old Forest Road
Lynchburg, VA 24501

434-455-2795

Material Changes since June 30, 2016

This brochure has been updated to note asset under management and number of account changes. Other Industry Affiliations has also been edited to reflect the retirement of Juanita H. Ellett.

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Advisory Business (item 4)

About MontVue

Established in 1999, MontVue Capital Management is an independent financial planning and money management firm. We manage investment accounts for individuals, trusts, endowments, businesses and foundations. We also act in an advisory capacity in matters of financial planning and personal finance for investment management clients and on a stand-alone basis for non-investment-management clients.

Sarah U. Burnett and Anne U. Scruggs are equal principal owners of MontVue Capital Management. MontVue is wholly independent. We have no parent or subsidiary affiliates.

Assets Under Management

As of December 31, 2016 we managed discretionary assets totaling \$125,510,000. There were no nondiscretionary assets. The number of client relationships was 143. There may be multiple accounts within a client relationship. For example, a husband and wife can have an account which is owned jointly and each can have an IRA, thus constituting three accounts for the single relationship. This very manageable client base allows us to understand each client's unique situation and manage his assets accordingly.

Services Provided

Individuals	Businesses
Investment Management	Investment Management
Retirement Income Planning	Financial Wellness, Employee Advice & Counseling (an employer-sponsored service)
Education Planning	
401(k) Investment and Allocation Review	
Estate Guidance	Endowments, Foundations, Trusts
Financial Consultation	Investment Management and Consultation

Services for Individuals and Trusts

Investment Management is the primary service provided by MontVue Capital Management. The majority of our investment management clients are high-net-worth individuals. Services are tailored to the individual needs of each client based on a needs and risk tolerance analysis of each client. Clients may impose restrictions on investing in certain types of securities. MontVue's investment management practices are further discussed in the 'Methods of Analysis, Investment Strategies and Risk of Loss' section of this brochure.

As a stand-alone service, we review 401(k) and other investment accounts not held at MontVue.

In addition to investment management and review, we assist clients with goal-specific financial planning in areas such as retirement income, college funding, estate and charitable giving. This planning process

involves discussion of the financial goal, collection of financial information, analysis, and review of recommendations.

Services for Businesses

MontVue provides investment management services for businesses similar to those offered to individuals. Businesses may also hire MontVue to provide financial advisory and counseling services to their employees as a company-provided benefit.

Fees and Compensation (item 5)

Investment Management Fees

Investment management fees are based on assets under management with no hidden trailers or referral fees and no soft dollar services for commissions generated. All fees are calculated based on account value on the last business day of the quarter and charged quarterly in arrears. Clients may choose to have the fee deducted from their investment accounts or pay directly via check. Fees may be negotiable. MontVue's standard fee schedule is:

- 1.00% on the first \$1 million
- .50% on the next \$2 million
- .30% on the balance

For Example, an account's value is \$1,450,000.00 as of March 31. The fee for the quarter is calculated below:

The first million is charged 1% (\$1,000,000 X .01)	\$10,000
The balance is charged .50% (\$450,000 X .005)	\$2,250
These charges are totaled (\$10,000 + \$2,250)	\$12,250
The total is divided by four to arrive at the quarterly fee (\$12,250 ÷ 4)	\$3,062.50

In this example, the fee for the quarter ended March 31 is \$3,062.50.

Planning and Consultation Fees

Financial planning and consultation is provided free of charge for investment management clients. For non-investment management clients, MontVue charges the following fee:

Hourly Fee:	\$150.00 per hour
Financial Plans:	Starting at \$200.00 per plan

Planning and consultation fees are calculated and agreed-upon with each client based on an up-front estimate of time required for the specific project. These fees are not charged or due until services are completed and the outcome reviewed with the client. Fees are payable by check. MontVue does not charge any fees in advance of service. Fees may be negotiable.

Performance-based Fees and Side-By-Side Management (Item 6)

The only compensation sources for MontVue Capital Management are listed above. No fee income is received from the sale of securities or investment products. In addition, no employee of the firm receives performance-based fees or performs side-by-side management. This structure avoids any conflicts of interest.

Other Costs

Brokerage Fees: Clients will incur transaction fees charged by the broker in the course of account management. In some cases, there may also be a custodial fee. These fees are visible on the statements issued by the broker. These fees are charged by the broker, not MontVue, and MontVue receives no portion of these fees.

Mutual Fund/Exchange Traded Fund Fees: There are embedded fees in some of the investment products that we use. While not visible on the statement, these fees are listed in the product's prospectus. These fees are charged by the fund companies, not MontVue, and MontVue receives no portion of these fees.

Bond Transactions: The least transparent of all transaction fees, there are usually mark-ups on the purchase and sale of bonds. MontVue receives no portion of these mark-ups.

These costs are further discussed in the 'Brokerage' section of this brochure.

Types of Clients (item 7)

MontVue Capital Management's preferred client minimum is \$500,000.00 in total managed assets for individuals, trusts, endowments, foundations, and businesses. The majority of our clients are high-net-worth individuals.

Methods of Analysis, Investment Strategies and Risk of Loss (item 8)

We have access to a broad spectrum of financial and economic research. Our main sources of information include reports and data from Standard & Poor's, Vanguard, Fidelity Investments, Charles Schwab, the Federal Reserve, and financial periodicals. We fundamentally analyze economic sectors and consider technical analysis in our investment decisions. Internally, we compare domestic sector performance to broad market performance and various global markets to each other.

The greatest service we can offer our clients is to appropriately allocate their assets in accordance with their stated risk appetite. By appropriately allocating client assets, we strive to minimize risk of loss while generating the maximum return for each client's risk profile. To accomplish this, we primarily use two asset classes in the structure of most portfolios: equities (stock market exposure) and fixed-income (bonds and CDs). We may also use limited commodity exposure. It's important to note that all investments carry with them the risk of loss and clients should be prepared to bear this loss. We work to minimize, not eliminate, this risk for our clients.

Specific Security Types and Risks

Equities

Exposure to equities in our client accounts is achieved chiefly through the use of passively-managed Exchange-Traded-Funds (ETF). We use these securities because they offer a low-cost, relatively liquid avenue through which our clients can be exposed to a diversified basket of securities in any given asset class. These funds are generally more tax efficient than other widely used fund alternatives. The primary risk associated with these securities is market risk. Some ETFs also have liquidity and fund closure risk. We tend to use widely-traded funds to minimize these risks.

Fixed Income

We obtain fixed income exposure in our clients' portfolios through the purchase of individual corporate and municipal bonds and brokered certificates of deposit (CDs). When evaluating corporate bonds, we purchase investment-grade bonds – which are bonds of companies that have achieved a certain credit rating or higher. These bonds do have default risk if the underlying companies that issued them were to default. The default risk of investment grade bonds has historically been lower than that of lesser-rated bonds.

Disciplinary Information (item 9)

Neither the firm nor any of its employees have been involved in any legal or disciplinary events related to past or present investment or employment activities.

Other Financial Industry Activities and Affiliations (item 10)

MontVue Capital Management has no material affiliations with anyone else in the financial industry. We do not receive compensation or pay anyone for referrals. We do not have business relationships with any other professional that would be deemed to be in conflict with the best interest of our clients.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading (item 11)

Our code of ethics is included in this brochure:

Code of Ethics

On July 2, 2004, the Securities and Exchange Commission adopted new Rule 204A-1 under the Investment Advisors Act of 1940. This Rule requires all SEC registered investment advisors to adopt a code of ethics. This code must set standards by which personnel must conduct themselves and address conflicts that might arise between them and clients.

MontVue Capital Management's procedures to address these issues can be found in the firm's compliance manual. Despite our diligence in developing this manual, it is probable that some areas may remain unaddressed in a formal manner. The overarching issue on those matters as well as those specifically addressed is the fact that we recognize we have a fiduciary obligation to our clients. Therefore, it is our responsibility to act at all times in the client's best interests and avoid or disclose conflicts of interests. It is this principle on which this firm was established as reflected in our mission statement:

The mission of MontVue Capital Management is to offer tailored investment products within a highly ethical business environment.

We feel that in order to build a successful investment advisory firm, we must operate the business with honesty, good faith and fair dealing. If we fail to do so, the rational expectation is that there would be no justification for our existence.

Participation or Interest in Client Transactions

MontVue's employees may own or purchase securities in which our clients have a position. In those cases, client trades completed on the same trading day (both purchases and sales) are always completed first, and then employee trades are executed. After initial positions are acquired for both clients and employees there may be additional trading in order to adjust or rebalance account holdings.

All employee trades are approved by the firm's chief compliance officer. When the trades are those of the chief compliance officer, trades are approved by Anne U. Scruggs.



Brokerage Practices (item 12)

Brokerage Relationships and Custody of Assets

MontVue client accounts are maintained at Fidelity Investments, Charles Schwab or TD Ameritrade. We use these companies because they have proven to provide excellent customer service in attending to our clients' needs; their execution costs are very reasonable (less than \$20 per trade); their executions as measured against the market are fair and there are no associated costs for using them. MontVue uses the on-line trading platform and research provided by these firms, but receives no direct benefit for referring clients to any given broker. These are not exclusive relationships. We review offerings from other companies and may choose to recommend to clients that they change brokers if a better service is available. While MontVue may make recommendations to clients or prospective clients, the brokerage/custodial decision ultimately belongs to each client.

MontVue Capital Management receives no part of any commission paid to any broker, either directly, or through any soft-dollar benefit.

Block Trades

When practical the firm aggregates client transactions into block trades. This efficient process typically insures that all clients receive the same execution price. In those cases where blocks are partially filled, the various prices are prorated across all holders at that particular broker. If the trade is filled at more than one transaction price, the same blended average price is applied to each account.

Directed Accounts

A client may, by written notice, direct that his account is placed with a specific broker, dealer or bank. For client-directed relationships, MontVue has no authority over commission rates. We monitor execution costs and alert the client if it appears that unreasonable charges are being incurred.

Review of Accounts (item 13)

At MontVue Capital Management, we take seriously our fiduciary responsibility to truly act in the best interest of our clients. To us, this responsibility includes regular review of client accounts to ensure that investment allocation is aligned with client guidelines, risk tolerance and financial goals. All client accounts are formally reviewed at least annually by MontVue's Principals Sarah Burnett and Anne Scruggs. More frequent reviews may be triggered by changes in the account's investment objective, client guidelines or market conditions.

Clients regularly receive brokerage statements from their custodial broker. These statements are sent by mail or available electronically monthly, or in some cases quarterly, at the client's discretion. In addition to brokerage statements, MontVue provides account summaries on a quarterly basis. These statements are provided in hard-copy format or electronic format at the client's discretion.

Client Referrals and other Compensation (item 14)

In order to maintain complete independence, MontVue does not pay for referrals nor do we receive compensation from any other professional, or any other source, for referrals.

Custody (item 15)

Custody of client funds is typically held by one of the brokerage firms listed in item 12 (Fidelity Investments, Charles Schwab, TD Ameritrade). These brokerage firms independently deliver monthly statements to clients. Trade confirmations are also delivered either immediately or quarterly according to client preference. Delivery may be via U.S. mail or electronically at the preference of the client. We encourage clients to carefully review these statements and also compare them to all statements and reports provided by MontVue.

MontVue's custody of client funds is limited to our ability to deduct management fees from client accounts and transfer monies to other accounts held by the same client, if that authority has been specifically delegated by the client.

Investment Discretion (item 16)

We accept discretionary authority to manage securities accounts on behalf of clients. This authority is granted by each client in section one of MontVue's client contract. Clients may, at their discretion, place specific limitations on this authority.

Voting Client Securities (item 17)

Below please find MontVue Capital Management's policy on voting client securities:

On March 10, 2003, the Securities and Exchange Commission adopted new rules and amendments to existing rules under the Investment Advisors Act of 1940. The purpose of this action is to ensure that the adviser votes proxies in the best interest of clients, to disclose to clients information about those policies and procedures, and to disclose to clients how they may obtain information on how the adviser has voted their proxies. (Details can be found at the following web site: <http://www.sec.gov/rules/final/ia-2106.htm>)

Advisors Subject to the Rule:

All SEC registered advisors who exercise proxy voting authority over client securities are subject to this rule. We may assume this responsibility for our clients in Paragraph 10 of our investment advisory agreement though there are some clients who retain this responsibility.

Procedures for Voting the Proxy:

Our proxies are delivered via an electronic platform that alerts us to meeting deadlines and corporate actions. This product allows us to submit votes to the company and records our voting record. This same product provides all information necessary to report to individual clients how votes were cast.

Resolving Conflicts of Interest:

All votes cast will always be in our clients' best interest. Rarely will an advisor of our small size ever encounter a conflict of interest with clients. This provision is primarily addressing those advisors who are large enough to both own a company's stock within client portfolios and also offer that company a product such as managing a portion of its pension fund or acting as its insurance provider. Listed below are types of matters that may cause conflict:

- i. Change in corporate governance structures. We would vote to maintain appropriate checks & balances and to avoid decision making concentration within management.
- ii. Adoption or amendments of compensation plans. We would vote for compensation that is fair to both the employee and the stock holder. Recognizing that exceptional talent needs to be rewarded, but balanced against excessive salary and benefits.
- iii. Social issues and corporate responsibility. We believe that a 'responsible' corporation will ultimately reward its shareholders through increased value. Therefore, we will always vote in that manner. Social issues presented by shareholders are well-intentioned, but often not feasible proposals. Each will be considered on a stand-alone basis. This list is not exhaustive, and in any case where a true conflict exists, we will provide the client all possible information and allow them to cast the vote.

How to Obtain Voting Information:

Voting records of MontVue Capital Management are easily accessible. Clients may simply contact our office in order to be provided with this information. As an advisor, we will maintain the following records as dictated by the Commission:

- iv. Voting policies and procedures
- v. Proxy statements received regarding client securities
- vi. Records of votes cast on behalf of clients
- vii. Records of client requests for proxy voting information
- viii. Any documents prepared by the advisor that were material to making a decision how to vote.

Financial Information (item 18)

MontVue Capital Management is a financially sound corporation. We do not custody assets except in the manner previously disclosed and we do not accept pre-payment of fees and thus are not required to include a company balance sheet in this disclosure.

Requirements for State-Registered Advisors (item 19)

As of this filing, MontVue Capital Management is a federally registered advisor and this section is not required.



FORM ADV –PART 2B: Brochure Supplement for Sarah U. Burnett

(item 1)



December 31, 2016

MontVue Capital Management
3708 Old Forest Road
Lynchburg, VA 24501
434-455-2795
www.MontVue.com

Supervised Person:
Sarah U. Burnett

This brochure supplement provides information about the representatives of MontVue Capital Management and supplements the information in the firm's brochure. You should have received a copy of that brochure. The information has not been approved or verified by the United States Securities and Exchange Commission or any State securities authority. Please contact Chief Compliance Officer, Sarah Burnett (sburnett@montvue.com), if you have any questions about the contents of this supplement or did not receive a copy of the brochure.

Additional information about the MontVue representatives is available on the SEC's website at www.adviserinfo.sec.gov.

FORM ADV –PART 2B: Brochure Supplement (continued)

Educational Background and Business Experience (Item 2)



Sarah U. Burnett, President and Chief Investment Officer (Principal)
Age 58

Education:

University Of Virginia 1981
B.S. McIntire School of Commerce, concentrations in finance and management

Prior Experience:

Davidson, Garrard & Goode, Portfolio and Office Manager
CFB Advisory, Portfolio Manager
Virginia Farm Bureau Mutual Insurance Services, Services Representative
Wachovia Bank & Trust, NA, Securities Analyst

Disciplinary Information (Item 3)

Sarah U. Burnett has not been involved in any pertinent legal or disciplinary events.

Other Business Activities (Item 4)

Sarah U. Burnett is not actively involved in any other substantial business activities.

Additional Compensation (Item 5)

Sarah U. Burnett does not receive any economic benefit from non-clients for providing advisory services.

Supervision (Item 6)

Sarah Burnett, President and Chief Compliance Officer, (434-455-2795) is ultimately responsible for supervising the activities of the firm's representatives. Because the equity positions are run consistently across portfolios, assets positions are very similar. Therefore, inappropriate investment advice would be readily visible. In addition, all representatives are involved with all clients of the firm, and inconsistencies would be evident. Oversight of Sarah U. Burnett's activities is conducted by Anne U. Scruggs.

Requirements for State-Registered Advisers (Item 7)

A. Involvements in:

- | | |
|---------------------------------|------|
| 1. Awards in excess of \$2,500: | NONE |
| 2. Awards or liable: | NONE |

B. No bankruptcies

FORM ADV –PART 2B: Brochure Supplement for Anne U. Scruggs

(item 1)



December 31, 2016

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Supervised Person:
Anne U. Scruggs

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FORM ADV –PART 2B: Brochure Supplement (continued)

Educational Background and Business Experience (Item 2)



Anne U. Scruggs, Research and Fixed-Income Manager (Principal)
Age 42

Education:

University of Virginia 1996
B.S. McIntire School of Commerce, concentrations in finance and management

Prior Experience:

Davidson, Garrard & Goode, Research Analyst & Systems Administrator

Disciplinary Information (Item 3)

Anne U. Scruggs has not been involved in any pertinent legal or disciplinary events.

Other Business Activities (Item 4)

Anne U. Scruggs is not actively involved in any other substantial business activities.

Additional Compensation (Item 5)

Anne U. Scruggs does not receive any economic benefit from non-clients for providing advisory services.

Supervision (Item 6)

Sarah Burnett, President and Chief Compliance Officer, (434-455-2795) is ultimately responsible for supervising the activities of the firm's representatives. Because the equity positions are run consistently across portfolios, assets positions are very similar. Therefore, inappropriate investment advice would be readily visible. In addition, all representatives are involved with all clients of the firm, and inconsistencies would be evident.

Requirements for State-Registered Advisers (Item 7)

A. Involvements in:

- | | |
|---------------------------------|------|
| 1. Awards in excess of \$2,500: | NONE |
| 2. Awards or liable: | NONE |

B. No bankruptcies

Appendix - Privacy Statement

MontVue Capital Management and the Protection of Your Privacy

On November 12, 1999, the Gramm-Leach-Bliley Act was enacted to reform the financial services industry. In addition, the Act addressed concerns relating to consumer financial privacy. The purpose of this action is to protect a consumer's 'nonpublic personal information' (NPI). NPI is any "personally identifiable financial information" that a financial institution collects about an individual in connection with providing a financial product or service, unless that information is otherwise "publicly available." (Details can be found at the following web site: <http://www.sec.gov/rules/final/34-42974.htm>)

1. OUR PLEDGE TO YOU

Our clients are our greatest asset. Therefore, your uncompromised protection is of paramount concern. For this reason, this privacy policy has been established to insure the protection of your identity and nonpublic personal information.

2. INFORMATION WE COLLECT

We collect information:

- you give to us on applications, in account statements or in conversations regarding your most private personal information.
- you give to us when you make a transaction, or other account information such as balance, payment history or credit card usage;
- others give to us to make sure that the data you provide is accurate and up-to-date.

3. HOW WE SHARE INFORMATION

We **do not** share information that we have about you with anyone except:

- in response to subpoenas or for other legal reasons,
- in order to effect transactions in your account, or
- at the request of you the client (to accountants, banks, etc.)

4. HOW WE PROTECT INFORMATION

We restrict access to your personal and account information to those employees who need to know that information. We also impose physical and electronic safeguards through security systems and firewalls.

5. FORMER CUSTOMERS

We **do not** share information about our former customers with anyone except:

- in response to subpoenas or for other legal reasons,
- in order to effect transactions in your account, or
- at the request of the client (to accountants, banks, etc.)

6. SAFEGUARDING AGAINST PHISHING (added August 2007)

Clients should never provide personal information to a third party claiming to represent MontVue Capital Management unless they first confirm the identity of that third party through the Chief Compliance Officer of the firm.

Management commentary: The Gramm-Leach-Bliley Act is easily facilitated at MontVue Capital Management as the company does not share any information about its clients. However, each MontVue client has a parallel relationship with a securities broker, bank trust department or independent trust company. Please refer to that company's individual privacy policy as it relates to the sharing of NPI. In addition, some MontVue Capital Management clients have an additional parallel relationship with a financial planner, trust company or other financial institution. Again, please refer to that company's individual privacy policy as it relates to the sharing of NPI.