



ATWATER | MALICK

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Atwater Malick, LLC Disclosure – the United States Department of Labor (DOL) – Prohibited Transaction Exemption 2020-02

Disclosure:

Atwater Malick, LLC is required to act in a fiduciary capacity, meaning that all of Atwater Malick, LLC's actions must be in the Client's best interest when offering investment and financial planning advice. This disclosure relates to Clients rolling over any qualified retirement plans (all references to "qualified retirement plans" in this shall expressly include reference to "no-fee IRAs").

The United States Department of Labor (DOL), and various other U.S. government agencies, maintain for a fiduciary firm such as Atwater Malick, LLC, that Atwater Malick, LLC must declare to Client that a material conflict of interest exists when Atwater Malick, LLC recommends a rollover from a qualified retirement plan to an IRA that Atwater Malick, LLC manages.

When Atwater Malick, LLC provides investment advice to Client regarding Client's retirement plan account or individual retirement account, Atwater Malick, LLC is a fiduciary 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 Atwater Malick, LLC derives revenue creates some conflicts with Client interests, so Atwater Malick, LLC operates under a special rule that requires AM to act in Client's best interests and not put Atwater Malick, LLC's interests ahead of Client's.

The material conflict of interest stems from Atwater Malick, LLC's ability to assess a management fee, utilizing Atwater Malick, LLC's standard fee schedule, which is negotiable, for rollover IRA accounts. This fee will often be higher than the fee Client is currently paying in their qualified retirement plan.



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Unless Atwater Malick, LLC manages Client's qualified retirement plan, Atwater Malick, LLC receives no revenue from Client's qualified retirement plan assets unless Atwater Malick, LLC recommends a rollover of said assets to an IRA that Atwater Malick, LLC manages and thereby receives direct compensation from Client. Hence, the DOL, among other agencies, has determined the previously described rollover and resulting fee is a material conflict of interest.

The DOL requires Atwater Malick, LLC to:

- ***Meet a professional standard of care when making investment recommendations (give prudent advice).***
- ***Never put Atwater Malick, LLC's financial interests ahead of Client's when making recommendations (give loyal advice).***
- ***Avoid misleading statements about conflicts of interest, fees and investments.***
- ***Follow policies and procedures designed to ensure that Atwater Malick, LLC gives advice that is in Client's best interest.***
- ***Charge no more than reasonable for Atwater Malick, LLC's services.***
- ***Give Client basic information about conflicts of interest.***



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Atwater Malick, LLC, as a fiduciary, maintains that there are material client benefits to rolling over a qualified plan to Atwater Malick, LLC's management. When Atwater Malick, LLC has direct management over Client's rollover IRA, Atwater Malick, LLC can:

- ***Directly make changes to investments, whereas, when indirectly advising on a qualified plan, Atwater Malick, LLC can only make recommendations which Client may or may not implement.***
- ***Consistently monitor more of the Client's investable assets.***
- ***Maximize coordination of total investable assets.***
- ***Implement Atwater Malick, LLC's investment management process, which Atwater Malick, LLC, as a fiduciary, believes is highly effective for long-term Clients.***
- ***More readily and easily offer comprehensive financial planning advice.***