



# ATWATER | MALICK

investments in partnership

## Fee Disclosure

The compensation of Atwater Malick, LLC for its services rendered hereunder shall be calculated in accordance with the Schedule of Fees outlined in the Client's Investment Advisory Contract or, in writing, between Client and Atwater Malick, LLC.

Fees for investment supervisory services for Client are based on a percentage of assets under management as follows:

ASSETS UNDER MANAGEMENT	ANNUAL FEE
\$0 - \$1,000,000	1%
\$1,000,000 - \$3,000,000	0.75%
\$3,000,000 and Above	0.50%

The fees are negotiable and Client's fee is set forth in Client's Investment Advisory Contract or, as updated, in writing, between Client and Atwater Malick, LLC. Fees are paid quarterly in arrears, and Client may terminate the Account with five (5) days prior written notice. Because fees are charged in arrears, no refund policy is necessary. Client may terminate all accounts without penalty, for full refund, within five (5) business days of signing the advisory contract. If Client provides written authorization, Atwater Malick, LLC may withdraw advisory fees directly from Client account(s).

The Account minimum, \$1,000,000, may be waived by the investment adviser, based on the needs of the Client and the complexity of the situation.

Fees are negotiable and negotiation factors may include size of relationship, association with other relationships, complexity of management, number of accounts, financial planning needs, level of service, family member or substantial previous relationship, Atwater Malick, LLC employee, etc.

Annual fees are divided and billed on a quarterly basis. Atwater Malick, LLC calculates the quarterly fee by taking the aggregate market value on the last business day of the calendar quarter, multiplying the market value by the annual fee and then dividing by four (4).

Atwater Malick, LLC's fee calculations are based solely on quarter end market values and, therefore, do not consider cash flows during the quarter for established, funded and ongoing relationships and accounts. Cash flows, whether deposits into a relationship or withdrawals out of a relationship, are not prorated for established, funded and ongoing relationships and accounts. Therefore, regardless of the quarterly cash flows, all fees are assessed based solely on quarter end market values for established, funded and ongoing relationships.

The market value that AM utilizes is from Advyzon, AM's portfolio management system. The Advyzon market value can result in differences from the values reflected at the account Custodians due to how each calculates and accounts for accrued interest.



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Atwater Malick, LLC assesses fees on money market (i.e., cash) balances. Money market balances are part of the portfolio management process and therefore Atwater Malick, LLC fees these balances. Money market balances are used for distributions, strategic investment, dollar-cost-averaging as well as other investment purposes that are consistent with Atwater Malick, LLC's portfolio management process. Furthermore, a cash allocation is stated in the Investment Policy Statement (IPS), which Client accepts as part of the investment policy. Sometimes Client directs Atwater Malick, LLC to hold larger cash balances for a variety of reasons. Although Atwater Malick, LLC will follow said Client direction, Atwater Malick, LLC will nonetheless fee these directed cash balances as per Client's standard fee schedule.

Atwater Malick, LLC utilizes tiers as part of its standard fee schedule. A tiered fee schedule assesses a specific basis point fee to the first tier of the fee schedule, then another specific basis point fee to the second tier of the fee schedule, etc. Each tier's fee calculation is based on its specific dollar amount multiplied by that tier's basis point fee. As assets grow from one tier to the next, assets up to the lower tier are still assessed a fee at the lower tier's basis point fee. The tiered fee schedule is a graduated fee schedule, each tier pays its respective rate up to the maximum for that tier. Assets exceeding a tier does not reduce the basis point fee on the lower tiers.

For example, consider a \$7,000,000 client relationship. Based on Atwater Malick, LLC's standard fee schedule, the first tier assesses a 100-basis point fee on the first \$1,000,000. The second tier assesses a 75-basis point fee on the next \$2,000,000. And the third tier assesses a 50-basis point fee on the balance, in this example \$4,000,000. In this example, the account balance is \$7,000,000 and the weighted average basis point fee is 64.29 basis points.

For fees billed in the first and final quarterly periods, Atwater Malick, LLC will prorate the fee based on the number of days in the quarter that the relationship was under Atwater Malick, LLC's management from the date of initial funding through the date of termination.

Because Client's fees will be withdrawn directly from Client's account(s), Atwater Malick, LLC must:

- (A) Receive written authorization from the Client to deduct advisory fees from the account(s) held by a qualified custodian, which Client authorizes by initialing the Investment Advisory Contract.
- (B) Send the qualified custodian written notice of the amount of the fee to be deducted from the Client's account(s).
- (C) Make available, upon Client request, to the Client, written documentation itemizing the fee and the amount of assets under management on which the fee was based.