

Part 2A of Form ADV: *Firm Brochure*

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This brochure provides information about the qualifications and business practices of Stillwater Capital Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 877-790-9904 or info@stillwateradv.com. 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 Stillwater Capital Advisors, LLC also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 149946.

Item 2 Material Changes

The SEC adopted "Amendments to Form ADV" in July, 2010. This Firm Brochure, dated 01/27/2012, is our new disclosure document prepared according to the SEC's new requirements and rules. As you will see, this document is a narrative that is substantially different in form and content, and includes some new information that we were not previously required to disclose.

After our initial filing of this Brochure, this Item will be used to provide our clients with a summary of new and/or updated information. We will inform you of the revision(s) based on the nature of the updated information.

Consistent with the new rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

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Item 4 Registered Investment Advisory Business

Stillwater Capital Advisors, LLC is a SEC-registered investment adviser with its principal place of business located in Wayne, Pennsylvania. Stillwater Capital Advisors, LLC began conducting business in 2009.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Douglas Andrew Swope, Managing Member, Principal
- John Henry Swope IV, Principal

Stillwater Capital Advisors, LLC offers the following advisory services to our clients:

PORTFOLIO MANAGEMENT SERVICES

Privately Managed Equity & Bond Portfolios

Our firm provides private portfolio management services to clients using individual equities, bonds, mutual funds and exchange traded funds. Each private portfolio is designed to meet a particular investment goal.

1. Equity Portfolio - *Diversified portfolio primarily consisting of domestic equities with an objective of conservative growth.*

2. Equity Income Portfolio - *Diversified portfolio primarily consisting of dividend paying domestic equities with an objective of conservative growth and income.*

3. Balanced Portfolio - *Diversified portfolio primarily consisting of domestic equities along with high quality bonds as needed to generate income and dampen volatility.*

4. Global Portfolio - *Diversified portfolio of domestic equities paired with international securities to increase diversification while striving to enhance long-term performance.*

5. Sector Portfolio - *Strategically weighted exchange traded fund portfolio investing in various sectors and industries of the S&P 500 Index.*

Multi Manager Portfolios

1. Aggressive Growth - *A combination of exchange traded and no-load funds are utilized to construct an aggressively allocated portfolio targeting appreciation.*

2. Growth - *A combination of exchange traded and no-load funds are utilized to construct a growth oriented portfolio targeting conservative growth.*

3. Growth & Income - *A combination of exchange traded and no-load funds are utilized to construct a balanced portfolio targeting moderate growth.*

4. Balanced - *A combination of exchange traded and no-load funds are utilized to construct a balanced portfolio targeting conservative growth and income.*

ADVISORY SERVICES

Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions, goals and objectives are established based on a client's particular circumstances. We create and advise on a portfolio based on these objectives. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We advise on these advisory accounts on a non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Corporate debt securities (other than commercial paper)
- Certificates of deposit
- Municipal securities
- Mutual fund shares
- Exchange Traded Funds
- United States governmental securities

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

PENSION & ENDOWMENT CONSULTING SERVICES

We also provide several advisory services separately or in combination. While the primary clients for these services will be pension, profit sharing, 401(k) plans and endowments, we offer these services, where appropriate, to individuals, trusts and estates. Pension & Endowment Consulting Services are comprised of three distinct services. Clients may choose to use any or all of these services.

Investment Policy Statement Preparation (hereinafter referred to as "IPS"):

We will meet with the client (in person or over the telephone) to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. Our firm then prepares a written IPS detailing those needs and goals, including an encompassing policy under which these goals are to be achieved. The IPS also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring of investment performance.

Selection of Investment Vehicles:

We assist plan sponsors in constructing appropriate asset allocation models. We will then review various separately managed accounts and mutual funds (both index and managed) to determine which investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the client, based on the IPS.

Monitoring of Investment Performance:

We monitor client investments continually, based on the procedures and timing intervals delineated in the Investment Policy Statement. We supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

MANAGER SELECTION SERVICES

We also offer advisory management services to our clients through the selection and ability to engage unaffiliated registered investment advisers referred to as the "Manager(s)".

Based on the client's individual circumstances and needs, we perform management searches of various Managers to identify which Manager's portfolio management style is appropriate for that client. Factors considered in making this determination include account size, risk tolerance, the opinion of each client and the investment philosophy of the selected Manager. Clients should refer to the selected Manager's Firm Brochure or other disclosure document for a full description of the services offered. We are available to meet with clients on a regular basis, or as determined by the client, to review the account.

Once we determine the most suitable Manager for the client, we provide the selected Manager with an overview of the client's goals and objectives as well as profile of their risk tolerance. The Manager then creates and manages the client's portfolio based on the client's individual needs.

We monitor the performance of the Manager. If we determine that a particular selected Manager is not providing sufficient management services to the client, or is not managing the client's portfolio in a manner consistent with the client's goals and objectives, we may suggest that the client contract with a different Manager and/or program sponsor. Under this scenario, our firm assists the client in selecting a new Manager and/or program.

To ensure that our initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, we will:

1. Contact each participating client at least quarterly to determine whether there have been any changes in the client's financial situation or investment objectives, and whether the client wishes to impose investment restrictions or modify existing restrictions;
2. Be available to consult with the client at their convenience and
3. Maintain notes of client objectives in each client's file.

FINANCIAL PLANNING

We provide financial planning services. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients requesting this service receive a written report which provides the client with a detailed financial plan designed to assist the client achieve his or her financial goals and objectives.

In general, the financial plan can address any or all of the following areas:

- **PERSONAL:** We review family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** We analyze the client's income tax and spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.
- **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
- **INSURANCE:** We review existing policies to ensure proper coverage for life, disability and long-term care.
- **RETIREMENT:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **DEATH & DISABILITY:** We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
- **ESTATE:** We assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax, powers of attorney and asset protection plans.

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney and/or accountant. Implementation of financial plan recommendations is entirely at the client's discretion.

Financial Planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

ASSETS UNDER MANAGEMENT

As of 1/27/2012, we were actively managing approximately:

- Investment Management Services - \$240,000,000
- Investment Advisory Services - \$150,400,000
- Manager Selection Program & Pension & Endowment Program - \$20,600,000

Item 5 Fees and Compensation

PORTFOLIO MANAGEMENT SERVICES:

The annualized fees for Portfolio Management Services are charged as a percentage of assets under management, according to the following schedule:

Portfolio Styles: Equity, Equity Income, Global

<i>Assets Under Management</i>	<i>Annual Fee</i>
On the first \$1,000,000	1.25%
On the next \$2,000,000	1.00%
On the next \$2,000,000	0.75%
On the next \$5,000,000	0.65%
On assets over \$10,000,000	Negotiable

Portfolio Styles: Balanced, Sector & Multi Manager

<i>Assets Under Management</i>	<i>Annual Fee</i>
On the first \$1,000,000	1.00%
On the next \$2,000,000	0.85%
On the next \$2,000,000	0.75%
On the next \$5,000,000	0.65%
On assets over \$10,000,000	Negotiable

Clients are billed in advance at the beginning of each calendar quarter.

ADVISORY SERVICES:

The annualized fee for Investment Advisory Services will be charged as a percentage of assets under management, according to the following schedule:

<i>Assets Under Management</i>	<i>Annual Fee</i>
On the first \$1,000,000	0.75%
On the next \$2,000,000	0.65%
On the next \$2,000,000	0.50%
On the next \$5,000,000	0.25%
On assets over \$10,000,000	Negotiable

Clients are billed in advance at the beginning of each calendar quarter.

PENSION & ENDOWMENT CONSULTING SERVICES:

Our fees for Pension & Endowment Consulting Services are based on a percentage of assets under advisement, according to the following schedule:

<i>Assets Under Management</i>	<i>Annual Fee</i>
On the first \$5,000,000	0.50%
On the next \$5,000,000	0.40%
On assets over \$10,000,000	0.35%

Clients are billed in advance at the beginning of each calendar quarter.

MANAGER SELECTION SERVICES:

Our fees for Manager Selection Services are based on a percentage of assets under advisement, according to the following schedule:

<i>Assets Under Management</i>	<i>Annual Fee</i>
On the first \$5,000,000	0.50%
On the next \$5,000,000	0.40%
On assets over \$10,000,000	0.35%

Clients are billed in advance at the beginning of each calendar quarter.

Limited Negotiability of Advisory Fees: Although Stillwater Capital Advisors, LLC has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and associated persons of our firm.

GENERAL INFORMATION

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon written notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.

Mutual Fund Fees: All fees paid to Stillwater Capital Advisors, LLC for registered investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Manager Fees: Clients utilizing our Manager Selection Services and/or Pension & Endowment Services may be charged various program fees in addition to the fee charged by our firm. Such fees may include the investment advisory fees of the Manager, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions may be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. We will review with clients any separate program fees that may be charged to clients.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

Grandfathering of Minimum Account Requirements: Pre-existing advisory clients are subject to Stillwater Capital Advisors, LLC's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements may differ among clients.

ERISA Accounts: Stillwater Capital Advisors, LLC is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Stillwater Capital Advisors, LLC may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

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

Stillwater Capital Advisors, LLC does not charge performance-based fees.

Item 7 Types of Clients

Stillwater Capital Advisors, LLC provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit sharing plans (other than plan participants)
- Charitable organizations
- Corporations or other businesses not listed above

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

METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Fundamental Analysis: We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Cyclical Analysis: In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

Asset Allocation: Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Mutual Fund and/or ETF Analysis. We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Manager Analysis. We examine the experience, expertise, investment philosophies, and past performance of the Managers in an attempt to determine if the selected manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the Manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the Manager's compliance and business enterprise risks.

A risk of investing with a Manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in their portfolio,

there is also a risk that a Manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the Manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGY

We use the following strategy in managing client accounts, provided that such strategy is appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases: We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- We believe the securities to be currently undervalued, and/or
- We want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Risk of Loss: Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no legal or disciplinary events that are material to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Our firm and our related persons are not engaged in other financial industry activities and have no other industry affiliations.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Stillwater Capital Advisors, LLC and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Stillwater Capital Advisors, LLC's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to info@stillwateradv.com, or by calling us at 877-790-9904.

Stillwater Capital Advisors, LLC or individuals associated with our firm may buy securities for the firm or for themselves from our advisory clients; or sell securities owned by the firm or the individual(s) to our advisory clients. We will ensure, however, that such transactions are conducted in compliance with all the provisions under Section 206(3) of the Advisers Act governing principal transactions to advisory clients.

Stillwater Capital Advisors, LLC and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be included in the pro-rata allocation.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

- 1) No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
- 2) No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
- 3) It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
- 4) Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
- 5) We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
- 6) We have established procedures for the maintenance of all required books and records.
- 7) Clients can decline to implement any advice rendered in non-discretionary portfolios.
- 8) All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- 9) We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.

- 10) We have established policies requiring the reporting of Code of Ethics violations to our senior management.
- 11) Any individual who violates any of the above restrictions may be subject to termination.

Item 12 Brokerage Practices

Stillwater Capital Advisors, LLC will endeavor to select those brokers or dealers which will provide the best services at the lowest commission rates possible. The reasonableness of commissions is based on the broker's stability, reputation, ability to provide professional services, competitive commission rates and prices, research, trading platform, and other services which will help Stillwater Capital Advisors, LLC in providing investment management services to clients. Stillwater Capital Advisors, LLC may, therefore recommend (or use) the use of a broker who provides useful research and securities transaction services even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction assistance. Research services may be useful in servicing all our clients, and not all of such research may be useful for the account for which the particular transaction was effected.

Consistent with obtaining best execution for clients, Stillwater Capital Advisors, LLC may direct brokerage transactions for clients' portfolios to brokers who provide research and execution services to Stillwater Capital Advisors, LLC and, indirectly, to Stillwater Capital Advisors, LLC's clients. These services are of the type described in Section 28(e) of the Securities Exchange Act of 1934 and are designed to augment our own internal research and investment strategy capabilities. This may be done without prior agreement or understanding by the client (and done at our discretion). Research services obtained through the use of soft dollars may be developed by brokers to whom brokerage is directed or by third-parties which are compensated by the broker. Stillwater Capital Advisors, LLC does not attempt to put a specific dollar value on the services rendered or to allocate the relative costs or benefits of those services among clients, believing that the research we receive will help us to fulfill our overall duty to our clients. Stillwater Capital Advisors, LLC may not use each particular research service, however, to service each client. As a result, a client may pay brokerage commissions that are used, in part, to purchase research services that are not used to benefit that specific client. Broker-dealers we select may be paid commissions for effecting transactions for our clients that exceed the amounts other broker-dealers would have charged for effecting these transactions if Stillwater Capital Advisors, LLC determines in good faith that such amounts are reasonable in relation to the value of the brokerage and/or research services provided by those broker-dealers, viewed either in terms of a particular transaction or our overall duty to its ('brokerage') discretionary client accounts.

Certain items obtainable with soft dollars may not be used exclusively for either execution or research services. The cost of such "mixed-use" products or services will be fairly allocated and Stillwater Capital Advisors, LLC makes a good faith effort to determine the percentage of such products or services which may be considered as investment research. The portions of the costs attributable to non-research usage of such products or services are paid by our firm to the broker-dealer in accordance with the provisions of Section 28(e) of the Securities Exchange Act of 1934.

When Stillwater Capital Advisors, LLC uses client brokerage commissions to obtain research or brokerage services, we receive a benefit to the extent that Stillwater Capital Advisors, LLC does not have to produce such products internally or compensate third-parties with our own money for the delivery of such services. Therefore, such use of client brokerage commissions results in a conflict of interest, because we have an incentive to direct client brokerage to those brokers who provide research and services we utilize, even if these brokers do not offer the best price or commission rates for our clients.

Stillwater Capital Advisors, LLC requires that clients provide us with written authority to determine the custodian to use and the commission costs that will be charged to our clients for these transactions.

Clients must include any limitations on this discretionary authority in this written authority statement. Clients may change/amend these limitations as required. Such amendments must be provided to us in writing.

Stillwater Capital Advisors, LLC will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. Stillwater Capital Advisors, LLC will typically aggregate trades among clients whose accounts can

be traded. Stillwater Capital Advisors, LLC's block trading policy and procedures are as follows:

- 1) Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with Stillwater Capital Advisors, LLC, or our firm's order allocation policy.
- 2) The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
- 3) The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable Stillwater Capital Advisors, LLC to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
- 4) Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.
- 5) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.
- 6) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order, and must share in the commissions on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.
- 7) If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.
- 8) Stillwater Capital Advisors, LLC's client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.
- 9) Funds and securities for aggregated orders are clearly identified on Stillwater Capital Advisors, LLC's records and to the custodians or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.
- 10) No client or account will be favored over another.

Item 13 Review of Accounts

PORTFOLIO MANAGEMENT SERVICES:

REVIEWS: While the underlying securities within Investment Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by:

- Douglas A Swope - Managing Member
- John H Swope IV - Principal
- Christopher C Dautrich - Vice President
- John F Satterfield - Vice President

REPORTS: In addition to the monthly statements and confirmations of transactions that clients receive from their custodian, we may provide additional analytical reports at the client's request.

ADVISORY SERVICES:

REVIEWS: While the underlying securities within Investment Advisory Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of the investment objectives, guidelines and any investment restrictions provided by the client. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by:

- Douglas A Swope - Managing Member
- John H Swope IV - Principal
- Christopher C Dautrich - Vice President
- John F Satterfield - Vice President

REPORTS: In addition to the monthly statements and confirmations of transactions that clients receive from their custodian, we may provide additional analytical reports at the client's request.

PENSION & ENDOWMENT CONSULTING SERVICES:

REVIEWS: Stillwater Capital Advisors, LLC will review the client's Investment Policy Statement (IPS) whenever the client advises us of a change in circumstances regarding the needs of the plan. Stillwater Capital Advisors, LLC will also review the investment options of the plan according to the agreed upon time intervals established in the IPS. Such reviews will generally occur quarterly.

These accounts are reviewed by:

- Douglas A Swope - Managing Member
- John H Swope IV - Principal
- Christopher C Dautrich - Vice President
- John F Satterfield - Vice President

- **REPORTS:** Stillwater Capital Advisors, LLC will provide reports to Pension Consulting Services clients based on the terms set forth in the client's Investment Policy Statement (IPS).

MANAGER SELECTION SERVICES:

REVIEWS: These client accounts should refer to the Manager's Firm Brochure (or other disclosure document used in lieu of the brochure) for information regarding the nature and frequency of reviews provided by that independent registered investment adviser.

Stillwater Capital Advisors, LLC will provide reviews on a quarterly basis.

These accounts are reviewed by:

- Douglas A Swope - Managing Member
- John H Swope IV - Principal
- Christopher C Dautrich - Vice President
- John F Satterfield - Vice President

REPORTS: These clients should refer to the Manager's Firm Brochure (or other disclosure document used in lieu of the brochure) for information regarding the nature and frequency of reports provided by that Manager.

Stillwater Capital Advisors, LLC may provide reports at the client's request in addition to those provided by the Manager selected to manage the client's assets.

FINANCIAL PLANNING SERVICES:

REVIEWS: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise requested.

REPORTS: Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise requested.

Item 14 Client Referrals and Other Compensation

It is Stillwater Capital Advisors, LLC's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is Stillwater Capital Advisors, LLC's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Item 15 Custody

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

Our firm does not have actual or constructive custody of client accounts.

Item 16 Investment Discretion

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

All clients may authorize us to vote proxies on their behalf. You always have the right to withdraw this authorization and vote proxies yourself. You can exercise this right by instructing us in writing to not vote proxies in your account.

We will vote proxies in the best interests of its clients and in accordance with our established policies and procedures. Our firm will retain all proxy voting books and records for the requisite period of time, including a copy of each proxy statement received, a record of each vote cast, a copy of any document created by us that was material to making a decision how to vote proxies, and a copy of each written client request for information on how the adviser voted proxies. If our firm has a conflict of interest in voting a particular action, we will notify the client of the conflict and retain an independent third-party to cast a vote.

Clients may obtain a copy of our complete proxy voting policies and procedures by contacting Christopher C. Dautrich by telephone, email, or in writing. Clients may request, in writing, information on how proxies for his/her shares were voted. If any client requests a copy of our complete proxy policies and procedures or how we voted proxies for his/her account(s), we will promptly provide such information to the client.

We will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies. To direct us to vote a proxy in a particular manner, clients should contact Christopher C. Dautrich by telephone, email, or in writing.

You can instruct us to vote proxies according to particular criteria (for example, to always vote with management, or to vote for or against a proposal to allow a so-called "poison pill" defense against a possible takeover). These requests must be made in writing. You can also instruct us on how to cast your vote in a particular proxy contest by contacting us at:

**Stillwater Capital Advisors, LLC
200 W. Lancaster Avenue Suite 207
Wayne, PA 19087**

Item 18 Financial Information

As an advisory firm that maintains discretionary authority for client accounts, we are required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. Stillwater Capital Advisors, LLC has no financial circumstances to report.

Stillwater Capital Advisors, LLC has not been the subject of a bankruptcy petition at any time during the past ten years.