

Tandem Investment Advisors, Inc.

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www.tandemadvisors.com

February 21, 2017

This Brochure provides information about the qualifications and business practices of Tandem Investment Advisors, Inc. [“TANDEM”]. If you have any questions about the contents of this Brochure, please contact us at (843) 720-3413 or by email at information@tandemadvisors.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.

TANDEM is a registered investment adviser. Registration as an investment adviser does not imply any level of skill or training.

Additional information about TANDEM also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Since the last annual update of Form ADV Part 2, dated March 1, 2016, TANDEM has made four (4) material changes to its business.

- The first of these changes is a change of address to 145 King Street, Suite 400, Charleston, SC 29401.
- The second of these changes involves delivery of statements by TANDEM to dual contract clients. We have removed from Item 5 that follows the language:

The (dual-contract) client receives quarterly reports directly from TANDEM, unless the client requests in writing that TANDEM not send quarterly reports

TANDEM no longer sends its own statements to dual-contract clients, but maintains its policy of sending statements to direct clients. All clients receive statements from their respective custodians at least quarterly.

- The third of these changes involves investment options offered to new clients. TANDEM no longer accepts new balanced or fixed income accounts.
- The last of these changes regards TANDEM's proxy voting policy. The following language has been added to the policy:

TANDEM will generally not vote proxies when such proxies are received for equity securities where, at the time of receipt, TANDEM's position, across all clients, is less than, or equal to, 1% of the total outstanding voting equity (an "immaterial position").

TANDEM's proxy voting policy is more fully discussed in the Item 17 of this document.

TANDEM encourages a close examination of these changes as well as this document in its entirety.

Clients may request TANDEM's latest Brochure at any time without cost. To do so, please contact John B. Carew, President and Chief Compliance Officer, via phone at (843) 720-3413 or by email to jcarew@tandemadvisors.com. You may also locate TANDEM's Bruchure on its website at www.tandemadvisors.com.

Additional information about TANDEM also is available on the SEC's website at www.adviserinfo.sec.gov. The SEC's website also provides information about any persons affiliated with TANDEM who are registered, or are required to be so, as investment adviser representatives of TANDEM.

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Item 4 - Advisory Business

TANDEM is 100% employee-owned and was founded in 1990 by John B. Carew. William L. Little, Jr. owns approximately 31% of TANDEM's outstanding shares, Ann B. Carew owns approximately 4% of TANDEM's outstanding shares and John B. Carew owns approximately 65% of TANDEM's outstanding shares.

TANDEM's only business is providing portfolio management services on a discretionary basis (see Item 16 below for information about Discretion) to individuals, retirement plans, trusts, estates, corporations, other investment advisors, banks, endowments and foundations. Such services are generally provided on a fee for service basis. Such fees are agreed to in advance and set forth in each client agreement (additional information about TANDEM's fees can be found in Item 5 below). As of February 17, 2017, TANDEM managed approximately \$346.4 million in client assets across 904 accounts.

TANDEM's portfolio management services are primarily for the management of equity portfolios. In certain circumstances TANDEM will provide services for the management of balanced and fixed income portfolios. The type of portfolio is selected by each client and set forth in each client agreement. Such portfolios may include exchange-listed and over-the-counter equity securities of domestic and foreign issuers, corporate, municipal and U.S. government debt, cash equivalents, exchange traded funds and mutual fund shares. All portfolios are managed exclusively on a separate account basis. TANDEM manages no pooled investments such as mutual funds, hedge funds or common trust funds. TANDEM does not consider any of its services to be financial planning, asset allocation or general financial advice.

For equity portfolios, TANDEM has 4 fundamental criteria each security must meet for inclusion in a portfolio:

- Consistent earnings growth over a period of time.
- Consistent dividend growth over a period of time, if dividends are paid.
- Uniqueness, dominance or competitive advantage.
- Consistency in and depth of management.

Clients may choose from 4 styles of equity portfolios:

Large Cap Core: Investing principally in equity securities and equity-related instruments that meet TANDEM's fundamental criteria and pay dividends. The primary objective of this style is growth of principal with less volatility. The secondary objective of this style is growth of income over time.

Equity: Investing principally in equity securities and equity-related instruments that meet TANDEM's fundamental criteria. Dividends are not required. The primary objective of this style is growth of principal with less volatility. Capital gains consequences will not be considered. This style is ideally suited for tax-exempt entities and retirement accounts.

Taxable Equity: Investing principally in equity securities and equity-related instruments that meet TANDEM's fundamental criteria. Dividends are not required. The primary objective of this style is growth of principal with less volatility.

Mid Cap Core: Identical in process and objectives to the Equity style, limiting TANDEM's universe of potential stocks principally to those companies with a market capitalization below \$20 Billion at the time of initial purchase by TANDEM.

Certain existing clients have balanced portfolios, which are no longer offered to new clients. For the remaining balanced portfolios under TANDEM's management the equity portion will typically employ TANDEM's Large Cap Core strategy (although the client may designate one of TANDEM's other equity styles in the client agreement). The fixed income portion will typically be invested in U.S. Treasury obligations and will seek, in this order, Preservation of Capital, Liquidity and Current Income. Municipal securities may be substituted for U.S. Treasury obligations at the client's request. TANDEM may also substitute corporate debt instruments at its discretion.

Clients with specific needs or concerns including, but not limited to, current income, tax considerations and avoidance of specific securities or types of securities may designate such issues in the client agreement with the understanding that one of the strategies defined above will be employed while accommodating client needs.

TANDEM offers its portfolio management services both directly and indirectly to clients. Clients may hire TANDEM directly without the partnership of an independent financial advisor or clients may hire TANDEM through the recommendation of an independent financial advisor. For those clients that hire TANDEM directly without the partnership of an independent financial advisor, TANDEM may recommend a custodian but does not require that the client choose a recommended custodian.

For those clients that hire TANDEM through the recommendation of an independent financial advisor, the financial advisor's firm typically provides custody and certain brokerage services for a fee. As deemed appropriate by TANDEM pursuant to its duty to seek best execution, TANDEM may use 'step-out' trades. Step-outs are orders placed with brokers or dealers other than the financial advisor's firm. In such instances, clients will incur commissions or mark-ups on those orders in addition to the fee charged by the independent financial advisor's firm. For a more complete discussion of this practice please read Section 12.

TANDEM generally offers its services to clients of financial advisors through a dual contract, where clients sign both a custodial agreement with the financial advisor's firm and TANDEM's client agreement. TANDEM also participates in certain wrap programs. In such programs, the custodian charges clients only one fee and a previously agreed upon portion of that fee is then paid to TANDEM as portfolio manager. TANDEM treats its wrap program clients, direct clients and other clients referred by independent financial advisors exactly the same.

Item 5 - Fees and Compensation

Fee arrangements are established in the client's written agreement with TANDEM. Fees are payable quarterly in advance at a rate of one quarter of the estimated annual fee based on the closing value of the client's account for the previous quarter. Unless otherwise directed by the client, TANDEM bills the custodian for all management fees and the custodian deducts the fees from the client's account and pays TANDEM. Initial fees are pro-rated for the portion of the quarter remaining based on the inception date and value of the client's account under TANDEM's management. Initial fees are also payable in advance. Regular quarterly fees charged are reflected in the quarterly statement provided to each client by the custodian. Initial fees are reflected in the custodian statement for the period billed. If the advisory relationship is terminated during any quarter, the pre-paid fees will be refunded with respect to the portion of the quarter remaining. The relationship is terminable at any time by either party. If TANDEM

terminates the relationship, written notice will be given by U.S. mail. If the client terminates the relationship, TANDEM will comply and provide prompt written confirmation of this termination by mail.

For clients that hire TANDEM directly without the assistance or partnership of an independent financial advisor, the annual fee is 1.00% annually on the first \$2 million of assets under TANDEM's management. Fees are negotiable for amounts over \$2 million. The minimum account size is \$500,000.

For clients that come to TANDEM indirectly through the recommendation of an independent financial advisor or Wrap Program, TANDEM generally charges fees for its management services of 0.50% on assets under management. The minimum account size is \$100,000.

Certain exceptions to account minimums may be made as follows: if one or more accounts of less than the stated minimum are closely related, the stated minimum may be waived for individual accounts if the asset value of the accounts together exceeds the stated minimum; if additional funding or accounts can be reasonably anticipated, the minimum amount may be waived; if an account with less than the stated minimum is referred to TANDEM by an existing client, the minimum amount may be waived.

Fee structures vary among financial advisory and custodian firms that may recommend TANDEM or offer wrap services that include TANDEM. Further, TANDEM's role differs in indirect relationships from its role in direct relationships. In a direct relationship, TANDEM is the main client contact. In indirect relationships, TANDEM's role can often be limited to that of pure portfolio manager as the independent financial adviser is responsible for relationship management with the client. As a result, TANDEM recognizes that not all relationships are identical and therefore reserves the right to negotiate both fees and minimum account sizes. For all indirect client relationships, TANDEM receives no direct or indirect compensation other than its contractually agreed upon management fees. Further, TANDEM's relationship is with the client in any dual contract relationship.

TANDEM's fees are exclusive of custodian fees, brokerage commissions, transaction fees and other related costs and expenses that may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, or third party managers such as management fees, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, foreign tax withholding, wire transfer and electronic fund fees and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to TANDEM's fee, and TANDEM shall not receive any portion of these commissions, fees and costs.

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

TANDEM does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 - Type of Clients

TANDEM presently provides portfolio management services to individuals, retirement plans, trusts, estates, corporations, other investment advisors, banks, endowments and foundations (as described in Item 4 above). TANDEM does not limit the types of clients it serves to those listed above but does not serve any other type at this time.

A thorough discussion of the minimum account size TANDEM requires may be found in Item 5 above. Generally speaking, TANDEM requires a minimum account size of \$500,000 for accounts of clients hiring TANDEM directly and \$100,000 for accounts hiring TANDEM through the recommendation of an independent financial advisor or WRAP Program.

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

Investing in securities involves risk of loss that *clients* should be prepared to bear. Risk broadly defined is the possibility that an investor may lose some or all of his/her investment, or that the investment may not increase in value. Specific risks include (but are not limited to): market risk (the possibility that an investment will decline in value); credit risk (the possibility that the issuer of an investment may not live up to its financial obligations); inflation risk (the possibility that the value of a long-term asset may not grow enough to keep up with inflation); reinvestment risk (the possibility that interest rates will fall as an investment matures); liquidity risk (the possibility that an investment cannot be liquidated in a timely manner at a reasonable price); national, international, and political risk (the possibility that a government will suddenly change its policies or experience events such as wars, embargos, coups, and the appointments of individuals with unfavorable economic policies can impact the financial markets); economic risk (the risk that the economy will suffer a downturn that affects financial markets); industry risk (the risk that a specific industry will suffer a downturn); tax risk (the risk that high taxes will make investments less profitable for both businesses and investors).

TANDEM offers a range of investment strategies to new clients: Large Cap Core, Equity, Taxable Equity and Mid Cap Core. Each is defined later in this Item.

Regardless of strategy, TANDEM seeks to minimize volatility and provide superior returns over the long run. Both results are equally important to TANDEM's portfolio management approach. TANDEM believes that minimizing volatility reduces risk.

For equity portfolios and the equity portion of existing balanced portfolios, TANDEM relies upon a proprietary semi-quantitative investment process. This process is designed and managed by TANDEM to seek companies that possess the following characteristics:

- Consistent earnings growth over a period of time.
- Consistent dividend growth over a period of time, if dividends are paid.
- Uniqueness, dominance or competitive advantage.
- Consistency in and depth of management

Companies possessing these traits can often perform well regardless of economic or stock market conditions, thereby reducing return volatility. The process then seeks to identify which of these companies are mispriced by the stock market. Much of this process is quantitative, meaning it is computer model driven. However, before any purchase or sale in a portfolio is made, TANDEM's portfolio managers compare the results of the process with fundamental research and decide whether to take action. Thus, TANDEM views this as a semi-quantitative process.

For all equity strategies, the investment process ranks all companies that meet the criteria set forth above as either buy, accumulate, hold or sell. The buy, hold and sell disciplines are as follows:

BUY DISCIPLINE

- After the investment process identifies a stock for purchase and TANDEM's portfolio managers approve, the security must be bought.
- Technical analysis determines the entry point.
- TANDEM does not presume to know *the* best entry point. Therefore, buys are typically incremental.
- TANDEM does not impose arbitrary limits on the weighting a holding in a portfolio may attain. Rather, buying ceases at the Composite level when a stock reaches 3% of the Composite. Individual portfolios may see buying beyond the 3% level to match Composite holdings.

HOLD DISCIPLINE

- Every stock held in a portfolio is regularly subjected to the investment process and reviewed as ranking changes demand.
- TANDEM considers its Hold Discipline to be "Buy and be Vigilant".
- As rankings change, appropriate action is prescribed by TANDEM's Buy and Sell disciplines.

SELL DISCIPLINE

- **VALUATION SALES:** If a portfolio company has been held for at least one year and is ranked SELL, 25% of the position must be sold in every quarter it remains so ranked. Valuation sales cease when the company is reduced to 1.50% of a portfolio. If a portfolio company has been held for less than one year but is ranked a SELL, a fundamental review is undertaken and TANDEM's portfolio managers decide what, if any, action should be taken. There is no mandatory transaction prescribed for this situation.
- **FUNDAMENTAL SALES:** Fundamentals of all portfolio holdings are constantly monitored. If a stock fundamentally deteriorates, or becomes something not contemplated at time of purchase, the position must be liquidated.
- **SIGNIFICANT PRICE MOVEMENT:** For any portfolio company that has experienced significant price appreciation, a protective stop below its recent price must be implemented for 25% of the position. Significant price appreciation is determined by TANDEM's portfolio managers. For any portfolio company that experiences 20% underperformance relative to the S&P 500, a fundamental review is undertaken and TANDEM's portfolio managers decide what, if any, action should be taken. There is no mandatory transaction prescribed for this situation.
- **IMPLEMENTATION OF SALES:** Any time a portfolio company is designated for sale, TANDEM's portfolio managers determine, using all available methods of analysis, a reasonable expectation of exit price, and uses protective stops under that price in case the price of the stock falls. When the situation permits in the opinion of TANDEM's portfolio managers, incremental sales are most desirable.

Clients of TANDEM should expect to own from 35 - 45 securities in an equity portfolio. A portfolio containing so few securities is considered concentrated and may pose risks that a more broadly diversified portfolio does not. Individual stocks may have a more significant impact on a portfolio's performance when fewer stocks are owned in larger concentrations. Concentrated portfolios are also less likely to behave exactly as the stock market behaves because they represent a smaller sample than a broad market index. Further, TANDEM's investment process tends to identify companies that have underperformed the broader market. It is possible this

underperformance could continue for some time. Lastly, TANDEM does not allocate according to industry. Therefore, specific industries may be over- or under-represented within portfolios relative to the broader market as a result of the investment process. Such industry allocation may produce results different from the broader market.

Each equity strategy that TANDEM offers to clients utilizes TANDEM's investment process. The equity strategies are defined as follows:

Large Cap Core: Investing principally in equity securities and equity-related instruments that meet TANDEM's fundamental criteria and pay dividends. The primary objective of this style is growth of principal with less volatility. The secondary objective of this style is growth of income over time. This strategy was introduced in 1991.

Equity: Investing principally in equity securities and equity-related instruments that meet TANDEM's fundamental criteria. Dividends are not required. The primary objective of this style is growth of principal with less volatility. Capital gains consequences will not be considered. This style is ideally suited for tax-exempt entities and retirement accounts. This strategy was introduced in 1992 and redefined to exclude taxable accounts in 2007.

Taxable Equity: Investing principally in equity securities and equity-related instruments that meet TANDEM's fundamental criteria. Dividends are not required. The primary objective of this style is growth of principal with less volatility. This strategy was introduced in 1992 and redefined to exclude non-taxable accounts in 2007.

Mid Cap Core: Identical in process and objectives to the Equity style, limiting TANDEM's universe of potential stocks principally to those companies with a market capitalization below \$20 Billion at the time of initial purchase by TANDEM. This strategy was introduced in 2010.

TANDEM's client portfolios have typically experienced a low rate of turnover (trading activity). When possible, TANDEM utilizes block trades to secure the best price at the time of trade for the maximum number of client accounts. Excessive or high-volume trading can have adverse consequences for investment portfolios as a result of increased trading costs or taxation.

Item 9 - Disciplinary Information

As a registered investment adviser, TANDEM is required to disclose any legal or disciplinary events that would be material to your evaluation of TANDEM or the integrity of TANDEM's management. TANDEM has no information that is applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Registered investment advisers are required to disclose all material facts regarding any activities or industry affiliations that would be material to your evaluation of TANDEM or the integrity of TANDEM's management or that might place TANDEM in conflict with its clients' best interests. Such activities or affiliations include (but are not limited to): having management persons affiliated with a broker-dealer or registered as a broker-dealer representative; having management persons registered as a futures commission merchant, commodity pool operator or a commodity trading advisor; any relationship material to TANDEM's business or to our clients that TANDEM or its management persons may have with an entity such as an investment company (including a mutual fund or hedge fund), another investment adviser or financial planner, a banking institution or other affiliations with financial services providers; any referral

arrangements where TANDEM or its management persons may receive compensation. TANDEM has no relationships or arrangements applicable to this Item.

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

TANDEM maintains a Code of Ethics to ensure the highest standard of business conduct that every employee of TANDEM must read, acknowledge and adhere to at all times. An outline of the Applicant's Code of Ethics is as follows:

- In General
- Reporting Personal Securities Transactions
- Unethical Trading Practices
- Misuse of Material Inside Information
- Other Conduct
- Review and Further Actions
- Books and Records

A complete account of TANDEM's Code of Ethics will be provided to any client or prospective client upon request by contacting John Carew, TANDEM's Chief Compliance Officer, at (843) 720-3413 or jcarew@tandemadvisors.com.

TANDEM or its representatives may trade for their own account in securities that are also bought, held or sold for TANDEM's clients. TANDEM maintains regularly updated files of all securities transactions involving the firm, its representatives and employees. This file is reviewed by TANDEM's Chief Compliance Officer. If the possibility of a conflict of interest occurs, the client's interest would prevail. Further, all TANDEM employees are required to regularly report to TANDEM's Chief Compliance Officer a list of all investments and all investment transactions in order to ensure there is no conflict of interest between TANDEM or its employees and TANDEM's clients regarding securities transactions.

It is TANDEM's policy that the firm or its employees will not buy from or sell to clients any securities directly. Occasionally, trading errors in which TANDEM inadvertently buys or sells the wrong security or an incorrect amount of the correct security for a client may occur. In such instances, any profit is to be assigned to the client's account whenever possible and any loss is to be incurred by TANDEM. A complete trading error log is maintained by TANDEM and is available for inspection by any client or prospective upon request by contacting John Carew, TANDEM's Chief Compliance Officer, at (843) 720-3413 or jcarew@tandemadvisors.com.

Item 12 – Brokerage Practices

In the course of managing client portfolios, TANDEM will execute buy and sell orders through broker/dealers. TANDEM has discretionary authority to determine, without obtaining the prior consent of the client, the broker/dealers through whom, or commission rates at which, transactions for clients are executed. TANDEM has the authority to direct trades to any broker/dealer, as well as the authority to block trade in order to negotiate more favorable commission rates for its clients.

Should any trading error be committed, TANDEM will take measures to correct the error. If any profit results from the error, the profit belongs to the client(s) whose account(s) incurred the error. Should the error result in a loss after it is corrected, this loss will be fully incurred by TANDEM.

In selecting broker/dealers to execute client trades, TANDEM will seek to obtain the best execution for its clients, taking into account a number of factors: whether the broker/dealer has custody of client assets; the ability to effect prompt and reliable executions at favorable prices (including the applicable commission, if any); the operational efficiency with which transactions are effected, taking into account the size of the order and difficulty of execution; and the competitiveness of commission rates in comparison with other broker/dealers satisfying TANDEM's other selection criteria.

Trades for the same security executed on behalf of more than one client are typically aggregated (called "bunching" or "block trading") and executed through the same broker dealer, provided that aggregating serves the best interests of all participating clients and is permitted by the client's custodian. All block trades executed on a given day through the same broker/dealer will receive the same price, which will be averaged across all trades in the given security with that broker/dealer that day.

For clients participating in wrap program accounts, commissions are generally thought to be included in the fees charged by the broker/dealer sponsoring the wrap program. However, in an effort to seek best execution for its clients, TANDEM may and will place client trades through broker/dealers other than those sponsoring the wrap programs in which TANDEM clients may participate. Such trades are known as "step-outs" and unless a client prohibits step-outs in written instruction to TANDEM, TANDEM will utilize step-outs for clients when placing trades across multiple custodians to ensure TANDEM's clients are not competing with one another for best execution. The broker/dealer executing a step-out trade will receive a commission paid for by each client. A TANDEM client participating in a wrap program will incur this cost in addition to any cost or fee imposed by the client's custodian broker/dealer. TANDEM believes that step-outs provide execution value beyond the incremental cost. Not all broker/dealers sponsoring wrap programs permit step-outs.

TANDEM deals with highly qualified brokers who charge competitive commission rates. The overall reasonableness of brokerage commission paid is determined based upon the quality of execution of the services performed and of the research or trading services provided. In appropriate circumstances, TANDEM pays brokerage commission in excess of that which another broker may have charged for effecting the same transaction in recognition of the quality and reliability of execution of brokerage services and the trading services provided.

TANDEM does not recommend broker/dealers to clients in exchange for referrals, nor does it suggest that clients use directed brokerage relationships. For clients that hire TANDEM directly without a relationship with a financial advisor, TANDEM may recommend a custodian but does not require that a client follow this recommendation.

Item 13 – Review of Accounts

Each client account is reviewed on a regular basis rather than as suggested by certain events. All reviews are conducted by the President. Investment Policy decisions are made by John B. Carew (President, Chief Compliance Officer and Portfolio Manager) and William L. Little, Jr (Vice

President and Portfolio Manager). Investment decisions are carried out by the portfolio managers under the supervision of the President. Clients are provided with quarterly commentary giving general market review and assessment. Within a quarter, verbal or written contact with a client will be determined by general market activities as they influence the need for any additional communication with the client.

Item 14 – Client Referrals and Other Compensation

TANDEM enjoys a marketing relationship with Palmetto Advisory (a non-affiliated registered investment advisor) and its principal, Derrick Grava (a non-affiliated registered investment adviser representative). In certain instances, Palmetto and/or Mr. Grava may refer clients or financial advisors seeking portfolio management services to TANDEM. In exchange for such referrals, TANDEM compensates Palmetto and/or Mr. Grava with a percentage of its management fee charged to the client(s) referred by Palmetto and/or Mr. Grava. In all such circumstances, the client is provided a letter of full disclosure of the nature of the relationship between TANDEM and Palmetto and/or Mr. Grava and the form of any compensation between the parties. In no instance will this fee-sharing arrangement increase the fee paid by the client relative to a direct relationship between TANDEM and the client. The client must acknowledge this relationship in writing with his signature for any sharing of management fees or any other form of direct or indirect compensation to occur.

Item 15 – Custody

TANDEM is authorized only to enter purchase and sale orders and to deduct management fees from TANDEM managed accounts held at qualified custodians. It is for this latter reason that TANDEM may be considered to have custody of client accounts. TANDEM may not open accounts on clients' behalves and will not serve as trustee of client accounts. Clients receive at least quarterly account statements directly from the broker/dealer, bank or other qualified custodian that holds a client's investment assets. Clients should carefully review these statements. TANDEM also may provide a statement of account quarterly to its direct clients. For those that receive quarterly statements from TANDEM, TANDEM urges clients to compare the account statements they receive from TANDEM and their qualified custodian.

Item 16 – Investment Discretion

TANDEM usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought and sold. Such authority is described in the client agreement executed by TANDEM clients. In all cases, discretion is to be exercised in a manner consistent with the investment objectives stated in the client contract for the particular client account. An investment account will not be established until TANDEM has received a fully executed client agreement.

Item 17 – Voting *Client* Securities

TANDEM, in exercising its discretionary authority over assets under management, votes proxies for its clients unless directed otherwise by the client. In exercising its fiduciary obligations in the best interest of its clients, TANDEM adheres to the following policy:

Tandem Investment Advisors, Inc. will vote all proxies on behalf of its clients in accordance with the recommendations of the directors of the company for which the vote applies.

TANDEM will generally not vote proxies when such proxies are received for equity securities where, at the time of receipt, TANDEM's position, across all clients, is less than, or equal to, 1% of the total outstanding voting equity (an "immaterial position").

Further, from time to time, material conflicts between TANDEM's interest and the best interest of the client may arise. It is TANDEM's fiduciary duty to inform each client of any such conflict before voting the proxy in question, and to receive the client's permission to cast the vote. TANDEM removes this potential for conflict by adhering to the pre-determined policy stated above.

TANDEM will furnish annually to its clients a description of its proxy voting policies and procedures, and will make copies available at any time to clients and perspective clients upon request.

TANDEM will maintain records of all votes and proxy statements (through the SEC's EDGAR system), as well as any material information used to reach a voting decision, for a period of not less than five years. All records will be made available to clients upon request. A client may obtain records of how TANDEM voted on the client's behalf by submitting a formal written request to the following: Proxy Voting, Tandem Investment Advisors, Inc., 145 King Street, Suite 400, Charleston, SC 29401. TANDEM will retrieve the requested information and provide it to the client in a timely fashion.

TANDEM's proxy voting policy is subject to ongoing review, and may be revised as appropriate. If any such revision is made, TANDEM will fully disclose all changes to clients immediately, and before any votes occur under the revised policy statement.

Item 18 – Financial Information

Registered investment advisers are required in this Item to disclose any financial information or condition reasonably likely to impair their ability to meet contractual commitments to clients. TANDEM has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

John B. Carew
Tandem Investment Advisors, Inc.
145 King Street, Suite 400
Charleston, SC 29401
(843) 720-3413

March 26, 2012

Supplement to Form ADV, Part 2

This brochure supplement provides information about John B. Carew that supplements the Tandem Investment Advisors, Inc. Brochure. You should have received a copy of that brochure. Please contact John B. Carew, Tandem's Chief Compliance Officer, if you did not receive Tandem Investment Advisors, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about John B. Carew is available on the SEC's website at www.adviserinfo.sec.gov.

Educational Background and Business Experience

Supervised Person:	John B. Carew
Date of Birth:	June 24, 1962
Education:	University of Virginia, B.A. in Economics, 1983
Business Experience:	1990 – Present: Tandem Investment Advisors, Inc. President, Portfolio Manager and Chief Compliance Officer

Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Other Business Activities

Registered investment advisers are required to disclose all material facts regarding any outside business activities that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Additional Compensation

Registered investment advisers are required to disclose all material facts regarding any additional economic benefits provided by external individuals or organizations and received that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Supervision

John B. Carew is President and Chief Compliance Officer of Tandem Investment Advisors, Inc., and therefore is not subject to normal hierarchical supervision. For compliance purposes, Mr. Carew is supervised by, William L. Little, Jr., who can be reached at (843) 720-3413.

William L. Little, Jr.
Tandem Investment Advisors, Inc.
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(843) 720-3413

March 26, 2012

Supplement to Form ADV, Part 2

This brochure supplement provides information about William L. Little, Jr. that supplements the Tandem Investment Advisors, Inc. Brochure. You should have received a copy of that brochure. Please contact John B. Carew, Tandem's Chief Compliance Officer, if you did not receive Tandem Investment Advisors, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about William L. Little, Jr. is available on the SEC's website at www.adviserinfo.sec.gov.

Educational Background and Business Experience

Supervised Person:	William L. Little, Jr., CFA®
Date of Birth:	March 13, 1982
Education:	College of Charleston, B.A. in Business Administration, 2004
Business Experience:	2004 – 2005: Amerprise Financial, Financial Advisor
	2005 – 2006: McGuire, Tapscott, Hyden & Associates, Associate Financial Advisor
	2006 – 2009: Tandem Investment Advisors, Inc. Portfolio Manager
	2009 – Present: Tandem Investment Advisors, Inc. Vice President and Portfolio Manager

Professional Designations: CFA® obtained 2010

The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals.

There are currently more than 90,000 CFA charterholders working in 134 countries. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

High Ethical Standards

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters

Global Recognition

Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter

demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charterholders—often making the charter a prerequisite for employment.

Additionally, regulatory bodies in 22 countries and territories recognize the CFA charter as a proxy for meeting certain licensing requirements, and more than 125 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

Comprehensive and Current Knowledge

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

To learn more about the CFA charter, visit www.cfainstitute.org.

Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Other Business Activities

Registered investment advisers are required to disclose all material facts regarding any outside business activities that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Additional Compensation

Registered investment advisers are required to disclose all material facts regarding any additional economic benefits provided by external individuals or organizations and received that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Supervision

Mr. Little is directly supervised by John B. Carew, President and Chief Compliance Officer of Tandem, who can be reached at (843) 720-3413.