

Item 1 – Cover Page

TANDEM FINANCIAL, LLC

9156 Madras Court
Highlands Ranch, CO 80130

(720) 845-5700

May 16, 2018

www.tandem-financial.com

This Brochure provides information about the qualifications and business practices of Tandem Financial, LLC. If you have any questions about the contents of this Brochure, please contact us at (720) 845-5700 or Michael@tandem-financial.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Tandem Financial, LLC is available on the SEC’s website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Tandem Financial, LLC is #292565.

Item 2 – Material Changes

This Brochure, dated May 16, 2018, is an amendment to the previously published Brochure for Tandem Financial, LLC.

Since the firm's initial Brochure, we have updated information to reflect a change in regulatory jurisdiction. We have also made various other minor updates, but not other material changes were made to the Brochure.

We will ensure that all current clients receive a Summary of Material Changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. A Summary of Material Changes is also included with our Brochure on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Tandem Financial, LLC is #292565. We may further provide other ongoing disclosure information about material changes as necessary and will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Michael Franklin, Chief Compliance Officer of Tandem Financial, LLC at (720) 845-5700 or Michael@tandem-financial.com. Our Brochure is provided free of charge.

TANDEM FINANCIAL, LLC

Form ADV Part 2A – Firm Brochure

Item 3 – Table of Contents

	<u>Page</u>
Item 1 – Cover Page.....	i
Item 2 – Material Changes	ii
Item 3 – Table of Contents	iii
Item 4 – Advisory Business	1
Item 5 – Fees and Compensation	3
Item 6 – Performance-Based Fees and Side-By-Side Management	5
Item 7 – Types of Clients.....	6
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	7
Item 9 – Disciplinary Information	8
Item 10 – Other Financial Industry Activities and Affiliations	9
Item 11 – Code of Ethics, Participation or Interest in Client Transaction & Personal Trading.....	10
Item 12 – Brokerage Practices.....	12
Item 13 – Review of Accounts	14
Item 14 – Client Referrals and Other Compensation.....	15
Item 15 – Custody	16
Item 16 – Investment Discretion	17
Item 17 – Voting Client Securities	18
Item 18 – Financial Information.....	19

Item 4 – Advisory Business

- A** Tandem Financial, LLC (“Tandem Financial” “we” or “us”) is a registered investment advisor located in Highlands Ranch, Colorado and registered with the SEC since March 2018. The firm also has a registration pending with the state of Colorado as of the date of this filing. Tandem Financial’s founder and owner is Michael Franklin, who has been a financial advisor since January 2000.
- B** Tandem Financial provides financial planning and investment advisory services. We advise clients on investment selection, asset allocation, and provide investment recommendations (buy/sell) to our clients on a variety of investments including stocks, bonds, mutual funds, alternative investments, private equity, private placements, and Exchange Traded Funds (ETF). We provide comprehensive financial planning services to clients with a focus on retirement planning, investment planning, estate planning, education planning, risk planning, tax planning, philanthropic planning, second home or rental purchase, business planning, cash flow analysis, budgeting, and insurance needs analysis.

Some clients need or want specific, modular, goal-specific financial planning. This type of planning is to address one or more specific topics which could include any of the above-mentioned areas of planning.

We provide financial plans that are either available in either written or digital format that shows the client’s current financial situation, their goals and objectives, and recommendations on how to achieve those goals. We believe a good investment plan begins with a solid financial planning foundation. This helps us and the client understand the many factors that go into their ability to achieve success with their goals, whether short or long term in nature.

- C** As clients are unique and their individual needs differ from one another, we tailor our financial planning and investment advice. Some of the factors that make each client unique is their income, expenses, taxes, insurance coverage, retirement needs, wills, trusts, investments, medical conditions or needs, real estate, and other relevant information pertaining to the client’s overall financial situation.

While each client’s needs and goals are unique, we also understand that clients may have religious or socially conscious objections to certain types of investing. While we make our best efforts at accommodating clients preferences towards certain types of investments, for example no tobacco stocks, we cannot guarantee these types of investments will not be a part of an index or mutual fund should those be a part of a client’s portfolio.

TANDEM FINANCIAL, LLC

Form ADV Part 2A – Firm Brochure

We take a risk-based approach to investing by developing a risk profile for each client to help determine appropriate investment allocations along with the time horizon the client has for each financial goal. These factors are used to develop strategies and recommendations to help the client reach their individual goals.

See Item 8 for a description of our investment strategy.

- D** We do not participate in any wrap fee programs.
- E** The firm was formed in 2018 and consequently had no assets under management as of December 31, 2017.

Item 5 – Fees and Compensation

- A** Tandem Financial, LLC charges annual fees for managing Clients' portfolios. The fees charged generally vary between 0.3% and 1.25% of assets under management according to the amount of assets under management and the specific needs of the client. Tandem Financial has no set account minimum, but fees are generally negotiable.
- B** We bill Client quarterly fees in arrears and concurrently send the Client an invoice itemizing the fee and send the custodian a notice of the amount of the fee to be deducted from the Client's account. Fees are paid directly to us from the account by the custodian upon our submission of an invoice to custodian. Payment of fees may result in the liquidation of Client's securities if there is insufficient cash in the account. The fee is based on the average daily market value of the Client's account during the prior quarter.

For fixed fee projects 50% of the fixed fee shall be billed prior to beginning work, with the balance due upon completion of the project.

- C** Clients pay brokerage transaction costs and other charges directly to the custodian. See Item 12 – Brokerage Practices. Clients may be required to pay, in addition to Tandem Financial's fee, a proportionate share of any ETF's or mutual fund's fees and charges. For example, Mutual fund operating expenses are paid out of the fund and are an additional expense incurred by the Client.
- D** Clients pay all advisory fees quarterly in arrears.

New accounts are pro-rated from the time we begin charging a fee to the Client. Fees for partial quarters at the commencement or termination of this Agreement will be billed on a pro-rated basis contingent on the number of days the account was open during the quarter. Additionally, all service agreements may be terminated at any time by providing us with 15 days written notice. Any compensation paid for services beyond the time the agreement was terminated in writing will be refunded to the Client.

Upon termination of any fixed fee project, any prepaid but unearned fees will be promptly refunded by Tandem Financial and any partially completed plan will be delivered to the Client in its partially completed form. Any fees that have been earned by Tandem Financial but not yet paid by Client will be immediately due and payable.

If Tandem Financial has provided the Client a copy of its Form ADV Part 2 less than forty-eight hours prior to entering into any investment advisory contract or if Tandem Financial provided the Client a copy of its Form ADV Part 2 at the time of entering into the investment advisory agreement, then the Client may terminate the investment advisory agreement without penalty within five business days after entering into the contract.

Form ADV Part 2A – Firm Brochure

Alternatively, the investment advisory agreement may be terminated at any time by either party by providing 15 days written notice to the other party.

- E** Certain investment advisor representatives of Tandem Financial are also licensed to sell insurance in one or more states, either through a licensed general insurance agency or as direct agent representative of a specific insurance company. Insurance related business is transacted with advisory Clients, and individuals may receive commissions from insurance products sold to Clients. Clients are advised that the fees paid to Tandem Financial for investment advisory services are separate and distinct from the commissions earned by any individual for selling Clients other insurance products. If requested by a Client, we will disclose the amount of commission expected to be paid.

The receipt of commissions by an individual associated with the firm presents a conflict of interest. As fiduciaries we must act primarily for the benefit of investment advisory Clients. As such, we will only transact insurance related business with Clients when fully disclosed, suitable, and appropriate. Further, we must determine in good faith that any commissions paid to our representatives are appropriate. Clients are informed that they are under no obligation to use any individual associated with Tandem Financial for insurance products or services. Clients may use any insurance firm or agent they choose.

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

Tandem Financial does not charge any performance-based fees for its services or perform side by side management. Accordingly, this item is not applicable to our firm.

Item 7 – Types of Clients

We provide investment advice to individuals, high net worth individuals, trusts, and businesses. Because each Client is unique, they must be willing to be involved in the planning and ongoing processes. Such involvement does not have to be time consuming, however we want our Clients to remain informed and have a sense of security about their investments. Tandem Financial has no minimum account size for opening or maintaining an account.

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

- A** We believe each client represents a unique set of goals, objectives and values with different time horizons and challenges. To accomplish each client's goals and objectives we provide advisory services for portfolios ranging from conservative to aggressive within the direction set forth by the investor.

We follow the Certified Financial Planner Practice Standards for all investment and planning decisions. They are:

- Establishing and defining the client-planner relationship
- Gathering client data including goals
- Analyzing and evaluating the client's current financial status
- Developing and presenting recommendations and/or alternatives
- Implementing the recommendations
- Monitor

We believe in Fundamental Analysis when determining the most suitable investments for clients. Fundamental Analysis attempts to measure the intrinsic value of an investment by examining the related economic, financial and quantitative factors.

- B** We use our best judgment and good faith efforts in rendering services to Clients. We cannot warrant or guarantee any particular level of account performance, or that an account will be profitable over time. Not every investment recommendation we make will be profitable. Investing in securities involves risk of loss that Clients should be prepared to bear. Clients assume all market risk involved in the investment of account assets. Investments are subject to various market, currency, economic, political, and business risks.

Except as may otherwise be provided by law, we are not liable to Clients for:

- any loss that Clients may suffer by reason of any investment recommendation we made with that degree of care, skill, and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; or
- any independent act or failure to act by a custodian of Client accounts.

It is the responsibility of the Client to give us complete information and to notify us of any changes in financial circumstances or goals.

Item 9 – Disciplinary Information

Tandem Financial is required to disclose all material facts regarding any legal or disciplinary event that would be material to your evaluation of our firm, or the integrity of our management. No principal or person associated with Tandem Financial has any information to disclose which is applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

As disclosed in Section 5 above, certain investment adviser representatives of Tandem Financial are also licensed as insurance agents in one or more states, either through a licensed general insurance agency or as direct agent representative of a specific insurance company. The conflicts of interest associated with the above arrangements and how these conflicts are addressed are described in Section 5E, above.

Item 11 – Code of Ethics, Participation or Interest in Client Transaction & Personal Trading

A Tandem Financial has a Code of Ethics which all employees are required to follow. The Code of Ethics outlines our high standard of business conduct, and fiduciary duty to Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts, the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things.

A copy of the code of ethics is available to any Client or prospective Client upon request by contacting Michael Franklin at (720) 845-5700 or Michael@tandemfinancial.com.

B, C, D We do not own or manage any companies or investments that we advise our Clients to buy.

Tandem Financial or individuals associated with our firm may buy and sell some of the same securities for their own account that Tandem Financial buys and sells for its Clients. When appropriate, we will purchase or sell securities for Clients before purchasing the same for our account or allowing representatives to purchase or sell the same for their own account. In some cases, Tandem Financial or representatives may buy or sell securities for their own account for reasons not related to the strategies adopted for our Clients. Our employees are required to follow the Code of Ethics when making trades for their own accounts in securities which are recommended to and/or purchased for Clients. The Code of Ethics is designed to assure that the personal securities transactions will not interfere with decisions made in the best interest of advisory Clients while at the same time, allowing employees to invest their own accounts.

Tandem Financial will disclose to advisory Clients any material conflict of interest relating to us, our representatives, or any of our employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

As any advisory situation could present a conflict of interest, we have established the following restrictions to ensure our fiduciary responsibilities:

1. A director, officer, associated person, or employee of Tandem Financial shall not buy or sell securities for his personal portfolio where his decision is substantially derived, in whole or in part, by reason of his employment unless the information is

TANDEM FINANCIAL, LLC

Form ADV Part 2A – Firm Brochure

also available to the investing public on reasonable inquiry. No person of Tandem Financial shall prefer his or her own interest to that of the advisory Client.

2. Tandem Financial maintains a list of all securities holdings for itself and for anyone associated with its advisory practice that has access to advisory recommendations. An appropriate officer of Tandem Financial reviews these holdings on a regular basis.
3. Any individual not in observance of the above may be subject to termination.

Item 12 – Brokerage Practices

A Our Clients’ assets are held by independent third-party custodians. Except to the extent that the Client directs otherwise, Tandem Financial may use its discretion in selecting or recommending the broker-dealer. The Client is not obligated to effect transactions through any broker-dealer recommended by Tandem Financial. In recommending brokerdealers, Tandem Financial will comply with its fiduciary duty to seek best execution and with the Securities Exchange Act of 1934 and will take into account such relevant factors as:

- Price;
- The custodian’s facilities, reliability and financial responsibility;
- The ability of the custodian to effect transactions, particularly with regard to such aspects as timing, order size and execution of order; and ➤ Any other factors that we consider to be relevant.

Generally speaking, we will recommend that Clients establish brokerage accounts with TD Ameritrade Institutional, a division of TD Ameritrade Inc., member FINRA/SIPC (“TD Ameritrade”), an unaffiliated SEC-registered broker-dealer and FINRA member, so long as TD Ameritrade continues to meet the above criteria. We work primarily with TD Ameritrade for administrative convenience and also because TD Ameritrade offers a good value to our Clients for the transaction costs and other costs incurred.

B Tandem Financial may aggregate trades for Clients. The allocations of a particular security will be determined by Tandem Financial before the trade is placed with the broker. When practical, Client trades in the same security will be bunched in a single order (“block”) in an effort to obtain best execution at the best security price available. When employing a block trade:

- Tandem Financial will make reasonable efforts to attempt to fill Client orders by day-end.
- If the block order is not filled by day-end, Tandem Financial will allocate shares executed to underlying accounts on a pro rata basis, adjusted as necessary to keep Client transaction costs to a minimum.
- If a block order is filled (full or partial fill) at several prices through multiple trades, an average price and commission will be used for all trades executed.
- All participants receiving securities from the block trade will receive the average price.
- Only trades executed within the block on the single day may be combined for purposes of calculating the average price.

TANDEM FINANCIAL, LLC

Form ADV Part 2A – Firm Brochure

It is expected that this trade aggregation and allocation policy will be applied consistently. However, if application of this policy results in unfair or inequitable treatment to some or all of our Clients, we may deviate from this policy.

Item 13 – Review of Accounts

- A** Accounts are reviewed by Michael Franklin who is responsible for overseeing all investment advisory activities for the firm. The frequency of reviews is determined based on the Client's investment objectives. Accounts are generally reviewed quarterly, but in any event, no less than annually.
- B** More frequent reviews may be triggered by a change in Client's investment objectives; tax considerations; large deposits or withdrawals; large sales or purchases; loss of confidence in corporate management; or, changes in the economic climate.
- C** Investment advisory Clients receive standard account statements from the custodian of their accounts on a monthly basis. Tandem Financial also provides Clients with a written report summarizing the account activity generally quarterly, but in any event, no less than annually.

Item 14 – Client Referrals and Other Compensation

Tandem Financial neither compensates, nor receives compensation from, any third parties in connection with client referrals.

Item 15 – Custody

With the exception of Tandem Financial’s ability to debit fees, Tandem Financial does not otherwise have custody of the assets in the account. Clients provide written authority to have fees debited from their accounts when they review and sign Tandem Financial’s Investment Advisory Agreement. They also provide the Custodian the authority to release fee payments from their accounts when they sign the custodial account application. Clients shall receive account statements no less than quarterly from the Custodian. Clients also receive quarterly statements from Tandem Financial that include notification of advisory fee calculations and the debiting of these fees from client accounts. We urge clients to review the Tandem Financial statements carefully and compare these account statements with the account statements from the Custodian.

Tandem Financial shall have no liability to the Client for any loss or other harm to any property in the account, including any harm to any property in the account resulting from the insolvency of the custodian or any acts of the agents or employees of the custodian and whether or not the full amount or such loss is covered by the Securities Investor Protection Corporation (“SIPC”) or any other insurance which may be carried by the custodian. The Client understands that SIPC provides only limited protection for the loss of property held by a custodian.

Item 16 – Investment Discretion

Clients may grant Tandem Financial ongoing and continuous discretionary authority to execute its investment recommendations in accordance with Tandem Financial's Statement of Investment Policy (or similar document used to establish each Client's objectives and suitability), without the Client's prior approval of each specific transaction. Under this discretionary authority, Client allows Tandem Financial to purchase and sell securities and instruments in their account(s), arrange for delivery and payment in connection with the foregoing, select and retain sub-advisors, and act on behalf of the Client in matters necessary or incidental to the handling of the account, including monitoring certain assets.

Clients may also grant Tandem Financial non-discretionary authority to execute its investment recommendations. Non-discretionary authority requires Tandem Financial to obtain a Client's prior approval of each specific transaction prior to executing the investment recommendations.

Item 17 – Voting Client Securities

- A** Tandem Financial will not vote proxies on behalf of Clients and will not provide advice to Clients on how the Client should vote.
- B** Tandem Financial does not have authority to vote Client securities unless authorized by the Client. Most Clients will receive proxies and other solicitations directly from the custodian or transfer agent. If any proxy materials are received on behalf of a Client, they will be sent directly to the Client or a designated representative of the Client, who is responsible to vote the proxy.

Item 18 – Financial Information

- A** Tandem Financial does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance.
- B** Tandem Financial does have discretionary authority over Client funds or securities, but we have no financial commitments that would impair our ability to meet contractual and fiduciary commitments to Clients.
- C** Neither Tandem Financial, nor any of the principals, have been the subject of a bankruptcy petition at any time in the past.

Item 19 – State Required Information

Information about our executive officers, their formal education, business background, and other businesses can be found in the attached Brochure Supplements (ADV Part 2B).

State registered firms are required to make additional disclosures if a) the firm is compensated for advisory services with performance based fees, b) the firm or any of its management persons has been involved in certain types of arbitration, civil, or administrative claims, or c) the firm or any of its management persons has a relationship or arrangement with any issuer of securities.

Neither the firm nor any of its management persons has any such arrangements, nor has been involved in any such actions, which require additional disclosures.