

Item 1: Cover Page

Andesa Financial Management, Inc.

Form ADV Part 2A

Investment Adviser Brochure

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March 2023

This Brochure provides information about the qualifications and business practices of Andesa Financial Management, Inc. (“we,” “us,” “our”). If you have any questions about the contents of this Brochure, please contact Paul C. Barbehenn, Principal and Chief Compliance Officer, at (610) 841-5367 or paul.barbehenn@andesafm.com.

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

We are a registered investment adviser. Please note that use of the term “registered investment advisor” and a description of the Firm and/or our employees as “registered” does not imply a certain level of skill or training. For more information on the qualifications of the Firm and our employees who advise you, we encourage you to review this Brochure and the Brochure Supplement(s).

Item 2: Summary of Material Changes

Annual Update

In this Item of Andesa Financial Management, Inc.'s (Andesa) Form ADV 2, the Firm is required to discuss any material changes that have been made to Form ADV since the last Annual Amendment.

Material Changes since the Last Update

The Firm has the following Material Changes to report since our last Annual Amendment filing on March 28, 2022:

- This Form was updated to include information regarding our fiduciary role when providing services to retirement investors and retirement accounts. Please see Item 4: Advisory Business for more information.
- This Form was updated to include disclosure of our conflict of interest related to the financial incentive we have in recommending the transfer of retirement plan assets to accounts that we manage. Please see Item 5: Fees and Compensation for more information.

Full Brochure Available

Andesa's Form ADV may be requested at any time, without charge by contacting Paul C. Barbehenn, Principal and Chief Compliance Officer at (610) 841-5351 or paul.barbehenn@andesafm.com.

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Item 4: Advisory Business

Firm Description

Andesa Financial Management, LLC (Andesa or the Firm) is an investment adviser. Andesa provides investment advisory services to individuals, trusts, estates, charitable organizations and corporations, as described below.

Andesa was founded in 2004 under its original name, Andesa Investment Solutions, Inc. In 2010, due to the acquisition of another firm, Andesa changed its name to Leber-Andesa Advisors, Inc. The Firm's current name is Andesa Financial Management, Inc.

Principal Owners

Andesa is owned by three individuals, primarily members of the management team. Andesa's primary owners include Paul C. Barbehenn, and Michael D. Baittinger – both management team members.

Types of Advisory Services

Andesa provides investment advisory and financial planning services to individuals, trusts, estates, charitable organizations and corporations. Both services are tailored to the needs of the client.

Investment Advisory Services

Andesa offers investment advisory services, which include selection, monitoring and review of portfolio assets on a discretionary basis. The initial step involves a meeting with the client for the purpose of defining the scope of the engagement. Once defined, the client and Andesa will enter into an Investment Advisory Agreement, disclosing the terms of the engagement and fees to be charged.

After the engagement is formalized, the client may be requested to provide Andesa with necessary financial information, including information created by other financial advisors, information on sources of income, assets owned, insurance policies owned, liabilities and wills, trusts, business agreements, tax returns, investments, and personal and family obligations. In addition, the client will be requested to provide financial goals and objectives, both long and short term.

Accounts Managed by Other Asset Managers

For these programs, we help select the appropriate program and manager and provide ongoing supervision of the accounts. The day-to-day investment decision making is provided by Raymond James & Associates ("RJA"), or the Independent Manager selected.

Freedom

The Freedom Account is an investment advisory account which allocates your assets, through discretionary mutual fund or exchange traded fund (ETF) management, based upon your financial objectives and risk tolerances. You appoint RJA as your investment advisor to select

the representative funds and monitor their performance on a continuing basis. Andesa receives a portion of the fee. **For further information refer to the RJA Wrap Fee Program Brochure.**

Freedom UMA

The Freedom UMA Account is an investment advisory account which typically holds multiple separately managed account (SMA) Managers and Funds in one “unified” account. The Freedom UMA program offers clients a broad selection of Strategies and allocation options within a given Strategy. The SMA Managers selected by the Investment Committee for investment in the Freedom UMA program are generally available individually through Raymond James & Associates. However, some of these SMA Managers may participate in only the RJA or Freedom UMA program. The primary difference between SMA Managers selected by the client through the RJA Program versus those selected by the Investment Committee through the Freedom UMA program is that the SMA Manager individually manages the client’s account on a discretionary basis in the RJA Program while that same SMA manager would only provide AMS their model portfolio for the implementation by AMS in the Freedom UMA program. For example, if an SMA Manager participates in both RJA and Freedom UMA programs, they would individually manage the client’s account in RJA program, but only provide their model portfolio to AMS for implementation in the Freedom UMA program, although the same securities would comprise their model portfolio in both programs. Clients choosing to participate in the Freedom UMA program appoint Raymond James as their investment adviser in recommending compatible Strategies, selecting SMA Managers and Funds for investment, and continuously managing the investments in the selected Strategy. Additionally, your assets may be invested through affiliated or unaffiliated investment advisors (Managers) registered with the Securities and Exchange Commission with which RJA has entered into a sub-advisory agreement. Andesa receives a portion of the fee. **For further information refer to the Raymond James & Associates Wrap Fee Program Brochure.**

RJA

Under Raymond James & Associates, (RJA) you appoint RJA, as advisor, to select certain portfolio managers, monitor performance of your account, provide you with accounting and other administrative services, and assist portfolio managers with certain trading activities. Based upon your financial needs and investment objectives your IAR may assist you in selecting an appropriate manager(s). Your IAR receives a portion of the fee. **For further information refer to the Raymond James & Associates Wrap Fee Program Brochure.**

Financial Planning

Andesa offers financial planning services. Andesa may provide financial planning as a component of the investment advisory services described above, or as a separate fee.

Financial planning services may include a review of all aspects of a client’s current financial situation, including the following components: cash management, risk management, insurance, education funding, goal setting, retirement planning, estate and charitable giving planning, tax planning, and capital needs planning. Andesa may meet with the client to review risk tolerance, financial goals and objectives, and time horizons and may prepare a written financial plan.

Financial planning services are based on the client's financial situation at the time and are based on financial information disclosed by the client to Andesa. Certain assumptions may be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. Andesa does not offer any guarantees or promises that client's financial goals and objectives will be met. Clients should notify Andesa promptly of any changes to the client's financial goals, objectives or financial situation as such changes may require a review of the plan and changes to recommendations.

Selection of Other Advisers

Andesa may also direct clients to third-party unaffiliated investment advisers. Before selecting other investment advisers for clients, Andesa conducts due diligence on each investment adviser and ensure that each is properly licensed or registered.

Tailored Relationships

Andesa tailors advisory services to the individual needs of the client. Clients may place reasonable investment restrictions on their portfolios, including bans on investing in particular industries, and investing in limited amounts of securities.

Fiduciary Statement

We are fiduciaries under the Investment Advisers Act of 1940 and when we provide investment advice to you regarding your retirement plan account or individual retirement account, we are also fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act, ("ERISA") and/or the Internal Revenue Code, ("IRC"), as applicable, which are laws governing retirement accounts.

We have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. We must take into consideration each client's objectives and act in the best interests of the client. We are prohibited from engaging in any activity that is in conflict with the interests of the client. We have the following responsibilities when working with a client:

- To render impartial advice;
- To make appropriate recommendations based on the client's needs, financial circumstances, and investment objectives;
- To exercise a high degree of care and diligence to ensure that information is presented in an accurate manner and not in a way to mislead;
- To have a reasonable basis, information, and understanding of the facts in order to provide appropriate recommendations and representations;
- Disclose any material conflict of interest in writing; and
- Treat clients fairly and equitably.

Regulations prohibit us from:

- Employing any device, scheme, or artifice to defraud a client;
- Making any untrue statement of a material fact to a client or omitting to state a material fact when communicating with a client;
- Engaging in any act, practice, or course of business which operates or would operate as fraud or deceit upon a client; or
- Engaging in any manipulative act or practice with a client.

We will act with competence, dignity, integrity, and in an ethical manner, when working with clients. We will use reasonable care and exercise independent professional judgement when conducting investment analysis, making investment recommendations, trading, promoting our services, and engaging in other professional activities.

Wrap Fee Programs

In certain circumstances, Andesa may recommend wrap fee programs to clients. A “wrap-fee” program is one that provides the client with advisory and brokerage execution services for an all-inclusive fee. Under a wrap fee arrangement, the client pays an annual asset-based fee which is calculated as a percentage of assets under management in the account. The client is not typically charged separate fees for the respective components of the total service, except under certain limited circumstances. In these limited circumstances, the executing broker-dealer may assess a commission or other charges. Such costs will be in addition to the wrap fee. These additional charges are typically “Step-Out” trades, which occur. The wrap fee program advisor chooses to place a trade with a broker-dealer other than the wrap fee program.

The only significant difference between how Andesa manages wrap fee accounts versus other accounts is that wrap fee account trading is executed through a directed broker. Andesa receives a portion of the total wrap fee for its investment advisory management services. More detail on the wrap fee program may be found in the wrap fee program sponsor’s Form ADV Part 2A Appendix 1, and “Step-Out” trades.

In evaluating wrap fee programs, clients should consider that, depending upon the level of the wrap fee charged, the amount of portfolio activity in the client’s account, the broker dealer’s usual commission rates and other factors, the wrap fee may be more or less than the aggregate cost of such services if they were to be provided separately and if Andesa were to negotiate commissions and seek best price and execution of transactions for the client’s account.

Further, clients should be aware that Andesa will receive compensation because of the client’s participation in the program. The amount of this compensation may be more than what Andesa would receive if the client participated in other programs of the sponsor, or paid separately for investment advice, brokerage, and other services, and that Andesa may therefore have a financial incentive to recommend the wrap fee program over other programs or services.

Client Assets

As of December 31, 2022, Andesa managed \$360,932,361 million in assets; \$332,525,126 is managed on a discretionary basis and \$28,407,235 is managed on a non-discretionary basis.

Item 5: Fees and Compensation

Compensation

Investment Advisory Services

Investment Advisory services including Freedom accounts are provided using the following annual fee schedule for fixed income, equities and mutual funds:

Assets Under Management	Annual Fee
First \$500,000	1.35%
Next \$500,000	1.05%
Next \$4,000,000	0.75%
Over \$5,000,000	0.60%

The asset-based fee shall be prorated and paid quarterly in advance. Fees are based on the market value of the assets in an account including cash, on an account-by-account basis, on the last day of the previous quarter as valued by the Custodian

For internally managed Assets, the asset-based fee for the initial quarter shall be calculated on a pro rata basis from the inception of the Account, on the value of the Assets. If Assets are deposited into or withdrawn from an Account after the inception of a quarter the Management Fee payable with respect to the Assets will not be prorated based on the number of days remaining in the quarter.

Separately/Unified Managed Accounts

Strategy	Annual Fee
Equity, Balanced, ETF	1.50%
Fixed Income	1.25%

For Assets managed by an Independent Manager, the asset-based fee for the initial quarter shall be calculated on a pro rata basis from the inception of the Account, on the value of the Account. If cash or securities, or a combination thereof, amounting to at least \$100,000 are deposited to or withdrawn from an account on an individual business day in the first two months of the quarter, the Management Fee will be: (i) assessed on the deposited assets based on the value of the assets on the date of deposit, or (ii) refunded based on the value of the assets on the date of withdrawal.

Financial Planning Services

Andesa may provide financial planning as a component of the investment advisory services described above, or as a separate fee. When services are provided as a separate fee, Andesa may charge fees on either an annual retainer or project basis in advance. Annual retainer fees may range from \$2,000 to \$7,000. Project fees may be charged for a specific scope and may range from \$1,000 to \$10,000.

Calculation and Payment

The specific manner in which fees are charged by Andesa is established in a client's written agreement with Andesa. Andesa will generally calculate fees in advance or arrears on a quarterly basis. Clients may elect to be invoiced directly for fees or authorize Andesa to directly debit fees from client accounts.

Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

Cash Balances

Some of your assets may be held as cash and remain uninvested. Holding a portion of your assets in cash and cash alternatives, i.e., money market fund shares, may be based on your desire to have an allocation to cash as an asset class, to support a phased market entrance strategy, to facilitate transaction execution, to have available funds for withdrawal needs or to pay fees or to provide for asset protection during periods of volatile market conditions. Your cash and cash equivalents will be subject to our investment advisory fees unless otherwise agreed upon. You may experience negative performance on the cash portion of your portfolio if the investment advisory fees charged are higher than the returns you receive from your cash.

Retirement Plan Rollover Recommendations

As part of our investment advisory services to our clients, we may recommend that clients roll assets from their employer's retirement plan, such as a 401(k), 457, or ERISA 403(b) account (collectively, a "Plan Account"), to an individual retirement account, such as a SIMPLE IRA, SEP IRA, Traditional IRA, or Roth IRA (collectively, an "IRA Account") that we will advise on the client's behalf. We may also recommend rollovers from IRA Accounts to Plan Accounts, from Plan Accounts to Plan Accounts, and from IRA Accounts to IRA Accounts.

If the client elects to roll the assets to an IRA that is subject to our advisement, we will charge the client an asset-based fee as set forth in the advisory agreement the client executed with our firm. This creates a conflict of interest because it creates a financial incentive for our firm to recommend the rollover to the client (i.e., receipt of additional fee-based compensation). Clients are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if clients do complete the rollover, clients are under no obligation to have the assets in an IRA advised on by our firm. Due to the foregoing conflict of interest, when we make rollover recommendations, we operate under a special rule that requires us to act in our clients' best interests and not put our interests ahead of our clients'.

Under this special rule's provisions, we must:

- meet a professional standard of care when making investment recommendations (give prudent advice);

- never put our financial interests ahead of our clients' when making recommendations (give loyal advice);
- avoid misleading statements about conflicts of interest, fees, and investments;
- follow policies and procedures designed to ensure that we give advice that is in our clients' best interests;
- charge no more than a reasonable fee for our services; and
- give clients basic information about conflicts of interest.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, clients should consider the costs and benefits of a rollover. Note that an employee will typically have four options in this situation:

1. leaving the funds in the employer's (former employer's) plan;
2. moving the funds to a new employer's retirement plan;
3. cashing out and taking a taxable distribution from the plan; or
4. rolling the funds into an IRA rollover account.

Each of these options has positives and negatives. Because of that, along with the importance of understanding the differences between these types of accounts, we will provide clients with a written explanation of the advantages and disadvantages of both account types and document the basis for our belief that the rollover transaction we recommend is in your best interests.

General Information on Compensation

In certain circumstances, all fees and account minimums may be negotiable. Andesa's fees may be negotiable based on various criteria, including, but not limited to the size of the aggregate related party portfolio size and pre-existing relationships with clients. Compensation will ultimately be based on the time involved, the degree of responsibility assumed, complexity of the engagement, special skills needed to solve problems, the application of experience and knowledge of the client's situation.

Related accounts may be linked for purposes of fee calculation if all parties agree; meaning certain accounts, approved by Andesa, may be grouped for fee calculations.

Clients are free to use any broker to implement advice provided by Andesa.

In addition to Andesa's portfolio management 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 affects transactions for the client's account(s).

Advisory fees charged by Andesa are separate and distinct from advisory fees and expenses charged by mutual funds in which client assets are invested. A complete description of these fees and expenses are disclosed in each mutual fund prospectus.

In addition to Andesa advisory fees, clients may also incur certain charges imposed by third-parties (where Andesa has no interest, except as described below) which may include the following: mutual fund or money market, 12b-1 and sub transfer fees; fund or money market management fees and administrative expenses; mutual fund transaction fees; certain deferred sales charges on previously purchased mutual funds transferred into the account; IRA and qualified retirement plan fees and other charges required by law; and trade transaction fees or ticket fees.

Andesa does not earn charge or collect any commissions relative to any transactions implemented or retain any 12-b1 fees.

Fees are not charged based on the capital gains or the capital appreciation of any funds or any part of any funds of any client in a manner prohibited by the Investment Advisors Act of 1940.

All fees paid to Andesa for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and variable annuity sub-accounts to their shareholders. These fees and expenses are described in each fund's or sub account's prospectus. These fees will generally include a management fee, other 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 or sub-account directly, without the services of Andesa. In that case, the client would not receive the services provided by Andesa which are designed, among other things, to assist the client in determining which mutual funds or sub-accounts are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds/sub-accounts and the fees charged by Andesa to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Clients should note that similar advisory services may (or may not) be available from other registered investment advisers for similar or lower fees.

Termination

A client agreement may be canceled at any time, by either party, for any reason upon receipt of written notice. Upon termination of any account, any earned, unpaid fees will be due and payable. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

Other Compensation

Neither Andesa nor any of its employees accept compensation for the sale of securities. As disclosed in Item 10, certain Investment Adviser Representatives receive insurance-related

compensation, including compensation for the sale of fixed and equity indexed annuities, which are not securities.

Item 6: Performance-Based Fees and Side-by-Side Management

Andesa 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).

Andesa does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

Item 7: Types of Clients

Types of Clients

As described in Item 4 above, Andesa provides investment supervisory services to individuals, high net worth individuals, trusts, estates, charitable organizations and corporations.

Account Minimums

Andesa does not have a minimum account size but charges a minimum annual fee of \$200 for each portfolio. Waivers or exceptions from minimum portfolio requirements may be granted at the exclusive discretion of Andesa.

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

Methods of Analysis

Andesa may employ the following security analysis methods: include fundamental analysis; charting/technical analysis; and cyclical analysis.

Fundamental Analysis. Andesa attempts 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.

Charting / Technical Analysis. The terms “charting” and “technical” analysis is generally used synonymously and therefore, for the purpose of this document, the term, “technical analysis” will be used. Andesa analyzes past market movements and applies that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly managed or financially unsound company may underperform regardless of market movement.

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

Investment Strategies

The primary investment strategy used on client accounts is strategic asset allocation utilizing a core and satellite approach. Andesa uses active managers – either mutual funds, separately managed accounts, or a dividend stock portfolio as the core investment. Andesa then adds either actively managed mutual funds or exchange-traded funds (ETFs) as the satellite positions, designed to take advantage of shorter-term trends. Portfolios are globally diversified to control the risk associated with traditional markets.

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investment Policy Statement that documents their objectives and their desired investment strategy.

Other strategies may include long-term purchases, short-term purchases, trading, short sales, margin transactions, and option writing (including covered options, uncovered options or spreading strategies).

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear.

All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends and other distributions), and the loss of future earnings. Although we manage assets in a manner consistent with your investment objectives and risk tolerance, there can be no guarantee that our efforts will be successful. You should be prepared to bear the following risk of loss:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar next year will not buy as much as a dollar today, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

- **Cybersecurity Risk:** A breach in cyber security refers to both intentional and unintentional events that may cause an account to lose proprietary information, suffer data corruption, or lose operational capacity. This in turn could cause an account to incur regulatory penalties, reputational damage, and additional compliance costs associated with corrective measures, and/or financial loss.
- **Pandemic Risk:** Large-scale outbreaks of infectious disease can greatly increase morbidity and mortality over a wide geographic area, crossing international boundaries, and causing significant economic, social, and political disruption.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of Andesa's business.

Item 10: Other Financial Industry Activities and Affiliations

Financial Industry Activities

Andesa is not registered as a broker-dealer, and none of its management persons are registered representatives of a broker-dealer.

Neither Andesa nor any of its management persons is registered as (or associated with) a futures commissions merchant, commodity pool operator, or a commodity trading advisor.

Affiliations – Insurance Company or Agency

Andesa's Investment Adviser Representative (IARs) may be appointed with several insurance companies and may be able to receive separate compensation for transactions implemented through various insurance companies. Clients are not obligated to use any company for insurance product purchases, and may work with any insurance agent they choose. Insurance compensation will be separate and distinct from financial planning fees charged by Andesa.

Other Investment Advisors

Andesa selects other investment advisors for its clients. Andesa does not receive any compensation for the selection of other managers.

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

Code of Ethics

Each employee of Andesa must comply with a Code of Ethics and Statement for Insider Trading. The Code contains provisions reasonably necessary to deter misconduct and conflicts of interest and to detect any violation. The Code's key provisions include:

- Statement of General Principles
- Policy on and reporting of Personal Securities Transactions
- A prohibition on Insider Trading
- Restrictions on the acceptance of significant gifts
- Procedures to detect and deter misconduct and violations
- Requirement to maintain confidentiality of client information

Paul C. Barbehenn, Principal and Chief Compliance Officer, reviews all employee trades each quarter. His trades are reviewed by Michael D. Baittinger, Principal. These reviews ensure that personal trading does not affect the markets, and that clients of the Firm receive preferential treatment. Since most employee trades are small mutual fund trades or exchange-traded fund trades, the trades do not affect the securities markets.

All employees of Andesa must acknowledge the terms of the Code of Ethics at least annually. Any individual not in compliance with the Code of Ethics may be subject to termination.

Clients and prospective clients can obtain a copy of Andesa's Code of Ethics by contacting Paul C. Barbehenn at (610) 841-5351.

Participation or Interest in Client Transactions – Personal Securities Transactions

Andesa and its employees may buy or sell securities identical to those recommended to clients for their personal accounts. These trades may not occur ahead of client trades. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Andesa 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. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Andesa's clients. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Andesa and its clients.

Participation or Interest in Client Transactions – Financial Interest and Principal/Agency Cross

Andesa and its employees do not recommend to clients, or buy or sell for client accounts, securities in which they have a material financial interest.

It is Andesa's policy that the Firm will not affect any principal or agency cross securities transactions for client accounts. Andesa will also not cross trades between client accounts.

Participation or Interest in Client Transactions

Andesa and its employees may buy or sell securities that are also held by clients. Employees comply with the provisions of Andesa's Code of Ethics.

Participation or Interest in Client Transactions - Aggregation

Andesa and its employees may invest in the same securities at the same time as the securities recommended to clients. Since Andesa is not a market maker for any security, the Firm does not consider this practice to conflict with the interests of clients.

Item 12: Brokerage Practices

Research and Other Soft Dollar Benefits

Andesa does not receive soft dollar benefits other than execution from broker/dealers in connection with client securities transactions. See disclosure below in “Brokerage – Other Economic Benefits.”

Brokerage for Client Referrals

Andesa does not receive client referrals from broker/dealers.

Directed Brokerage

Andesa generally advises portfolios on a discretionary basis only. Andesa retains the contractual right to choose which broker-dealer to use. However, Andesa consults with the client before using any broker-dealer, or changing any broker-dealer.

The factors considered in selecting brokers are as follows: philosophy in accordance with our philosophy regarding clients and investment advice, fees associated with the various types of portfolios, performance reporting capabilities, variety of portfolios available, trust service, and investment options.

Andesa typically uses RJA as its broker-dealer. Andesa utilizes investment advisory programs offered through Raymond James & Associates, (RJA). Andesa is not under obligation to use solely RJA as its broker-dealer or the programs offered through RJA.

While Andesa may at times recommend brokers, the client shall direct Andesa in writing to use a particular broker or dealer to execute transactions for client’s portfolio, of which the client will negotiate terms and arrangements with that broker or dealer. Andesa will not seek better execution services or prices from other brokers or dealers and as a result, client could pay higher commissions, other transaction costs, greater spreads, or receive less favorable net prices on transactions for client’s portfolio than would otherwise be the case.

Andesa and its principals and advisor representatives do not share in any of the commissions, transaction fees or service fees that may be received by RJA.

Brokerage – Best Execution

Andesa seeks best execution when effecting transactions for client accounts. Although there is no fixed manner to determine whether a particular broker provides best execution, the following factors may be relevant:

1. Competitive fees for comparable execution and services rendered from other brokers for similar transactions
2. Access to the trading desk
3. Difficulty of order
4. Broker's distribution network

5. Willingness of broker to commit its own capital to work difficult orders, and
6. Broker's level of accuracy in executing, reporting and settling transacted orders.

Brokerage – Other Economic Benefits

Andesa may have the opportunity to receive traditional “non-cash benefits” from RJA such as customized statements; receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk servicing advisors exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client portfolios; ability to have investment advisory fees deducted directly from client portfolios; access to an electronic communication network for client order entry and portfolio information; access to mutual funds which generally require significantly high minimum initial investments or those that are otherwise only generally available to institutional investors; reporting features; receipt of industry communications; and perhaps discounts on business-related products.

RJA may also provide general access to research and perhaps discounts on research products. Any research received is used for the benefit of all clients. Andesa has no written or verbal arrangements whereby it receives soft dollars. While Andesa endeavors at all times to put the interest of the clients first as part of its fiduciary duty, clients should be aware that the receipt of any additional compensation itself creates a conflict of interest and may affect the judgment of these individuals when making recommendations.

Trade Aggregation

At the sole discretion of Andesa, aggregate purchases or sales of the same security, instrument or obligation may be transacted on the same day for multiple accounts of one or more of Andesa’s clients. Currently, Andesa only aggregates sales. Although such aggregations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they will be affected only when Andesa believes that to do so will be in the best interest of the affected accounts. When transactions are so aggregated the actual prices applicable to the aggregation transaction will be deemed to have purchased or sold its share of the security, instrument or obligation at the average price. If a partial execution is attained at the end of the trading day, Andesa will generally allocate shares on a pro rata basis, but may fill small orders entirely before applying the pro rata allocation.

Item 13: Review of Accounts

Reviews

Andesa provides investment supervisory services or investment advisory services. Andesa reviews all of client's relevant information, including investment portfolios. The individuals doing these reviews are Paul C. Barbehenn, Principal and Chief Compliance Officer, and Michael D. Baittinger, Principal. The portfolios are generally reviewed as a team.

Portfolios are generally monitored on a quarterly basis; however, reviews could also occur at the time of new deposits, material changes in client's financial information, changes in economic cycles, at Andesa's discretion, or as often as the client directs. Reviews entail analyzing securities, sensitivity to overall markets, economic changes, investment results and asset allocation, etc., to ensure the investment strategy and expectations are structured to continue to meet clients' objectives.

A typical review includes analyzing securities, sensitivity to overall markets, economic changes, investment results and asset allocation, etc., to ensure the investment strategy and expectations are structured to continue to meet clients' objectives. In the case of mutual funds, Andesa will generally perform a global review of economic changes and fund performance in and of each particular fund, and how it relates to its peers and the general market, adherence to style, equity style box and any manager changes.

At the inception of the client relationship, Andesa gathers information from the client as to the investment goals, objectives and management policies applicable to the client's investment portfolio. A written proposal is prepared, which covers the following areas, (as applicable): a review of the client's circumstances, the purpose of the portfolio and its time horizon, portfolio goals, tax considerations, investor goals, investment policy objectives, anticipated liquidity needs, investment philosophy and proposed asset allocation, investment selection, constraints, risk tolerance, monitoring intervals, and portfolio loans, as applicable.

Clients are obligated to promptly notify Andesa of any changes in the client's financial status to ensure that investment strategies continue to meet the client's changing needs.

Clients' accounts are reviewed regularly; formal reviews, including contact with clients, typically occur at least annually.

Review Triggers

Other conditions that may trigger a review are changes in market, political or economic conditions, tax laws, new investment information, and changes in a client's own situation.

Reporting

Andesa prepares periodic reports which generally include holdings, performance and market information to Investment Management clients. Andesa may prepare reports or communications related to investment advisory services or as may be requested by clients.

Each quarter, the custodian provides clients with an account statement for each client account, which may include individual holdings, cost basis information, deposits and withdrawals, accrued income, dividends, and performance. In addition, the custodian provides clients with trade confirmations for each position bought and sold.

Financial Planning – Reviews and Reporting

The initial financial plan is included as a component of the financial planning service. Clients may receive updated financial plans for a separate fee.

Item 14: Client Referrals and Other Compensation

Compensation – Client Referrals

Andesa does not make or accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

Other Compensation – Brokerage Arrangements

See disclosure under Item 12, Brokerage Practices, regarding compensation, including economic benefits received in connection with giving advice to clients.

Item 15: Custody

Custody – Fee Debiting

The client agreement authorizes Andesa to deduct advisory fees directly from the client's account at the custodian. With the exception of the ability to debit client account for advisory fees, Andesa does not and will not have custody of clients' funds or securities. Client assets shall be held in the custody of a bank, trust company or brokerage firm agreed upon by the client and Andesa.

Andesa sends information to the custodian including the amount of the advisory fee, the value of the client's assets on which the advisory fee was based, and the specific manner in which the advisory fee was calculated.

The custodian sends quarterly statements to the client indicating all amounts disbursed from the account including the amount of advisory fees paid directly to Andesa.

Custody – First Party Money Transfers

Clients may provide Andesa with written ongoing authorization to Wire/ACH money between the client's accounts held with the qualified custodian directly to an outside financial institution (i.e., a client's bank account). A copy of this authorization is provided to the qualified custodian. The authorization includes the client's name and account number(s) at the outside financial institution(s) as required.

Custody – Third Party Money Transfers

Clients may provide Andesa with a standing letter of authorization (or similar asset transfer authorization) which allows Andesa to disburse funds on behalf of clients to third parties. Andesa ensures the following conditions are in place when deemed to have custody via third party money movement:

1. The client provides a Written Authorization to the custodian that includes all appropriate information as to how the transfer should be directed;
2. The Written Authorization includes instruction to direct transfers to the third party either on a specified schedule or from time to time;
3. Appropriate verification is performed by the custodian, along with a transfer of funds notice to the client promptly after each transfer;
4. The client may terminate or change the instruction to the custodian;
5. Andesa has no authority or ability to designate or change any information about the third party contained in the instruction;
6. Andesa maintains records showing that the third party is not a related party of the Firm or located at the same address as Andesa; and
7. The custodian sends the client a written initial notice confirming the instruction and an annual written confirmation thereafter.

Custody - Access to Client Funds and/or Securities

Andesa has deemed custody over certain client assets in the form of having login credentials for certain client accounts.

Given this “deemed custody” of client funds and securities, Andesa has developed stringent internal controls and procedures over the custody function. In addition, Andesa complies with the SEC’s Custody Rule, which requires an annual surprise examination conducted by an independent accountant.

Custody – Account Statements

As described in Item 13, Review of Accounts, clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian (custodian) that holds and maintains client’s investment assets. Clients are urged to carefully review such statements and compare such official custodial records to the account statements or other reports that Andesa provides to you. Andesa statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16: Investment Discretion

Through the investment management agreement, Andesa may accept limited power of attorney to act on a discretionary basis on behalf of clients. A limited power of attorney allows Andesa to execute trades on behalf of clients.

When such limited powers exist between the Andesa and the client, Andesa has the authority to determine, without obtaining specific client consent, both the amount and type of securities to be bought to satisfy client account objectives. Additionally, Andesa may accept any reasonable limitation or restriction to such authority on the account placed by the client. All limitations and restrictions placed on accounts must be presented to Andesa in writing.

However, Andesa consults with the client prior to each trade to obtain concurrence if a blanket trading authorization has not been given.

Item 17: Voting Client Securities

Andesa does not have any authority to and does not vote proxies on behalf of clients. Clients retain the responsibility for receiving and voting proxies; clients receive these proxies directly from either custodians or transfer agents.

If requested, Andesa may provide advice to clients regarding proxy votes. If any conflict of interest exists, it will be disclosed to the client. Clients may contact Paul C. Barbehenn, Principal and Chief Compliance Officer, at (610) 841-5351 for information about Andesa's proxy policies.

Item 18: Financial Information

Andesa 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.

Andesa is not required to provide a balance sheet; Andesa does not require or solicit prepayment of fees of more than \$1,200 per client, and six months or more in advance.

Andesa Financial Management, Inc.
Form ADV Part 2B
Investment Adviser Brochure Supplement

4905 Hamilton Boulevard
Allentown, PA 18106
(610) 841-5367
www.andesafm.com

Supervisor's Name: Paul C. Barbehenn

Supervisor of:
Michael D. Baittinger
Kelly J. Sheptock

March 2023

This Brochure Supplement provides information about the Firm's ("we," "us," "our") employees that supplements our Brochure. You should have received a copy of that Brochure. Please contact Paul C. Barbehenn, Principal and Chief Compliance Officer, at (610) 841-5351 or paul.barbehenn@andesafm.com if you did not receive our Brochure or if you have any questions about the contents of this Supplement.

Additional information about our employee(s) referenced above is also available on the SEC's website at www.adviserinfo.sec.gov. You may search this site using a unique identifying number, known as a CRD number for each employee.

Item 2: Educational Background and Business Experience

Education and Business Standards

We require that advisers in its employ have a bachelor's degree and further coursework demonstrating knowledge of financial planning and tax planning. Examples of acceptable coursework include: an MBA, a CFP®, a CFA, a ChFC, JD, CTFA, EA or CPA. Additionally, advisers must have work experience that demonstrates their aptitude for financial planning and investment management.

Supervised Persons

Paul C. Barbehenn

Born 1978

CRD #: 4246485

Business Background:

Andesa Financial Management, Inc. (formerly known as Leber-Andesa Advisors, Inc.) Principal and Chief Compliance Officer	2010 to Present
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Andesa Investment Solutions, Inc. Principal and Chief Compliance Officer	2004 to 2009
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Andesa Strategies, Inc. (and its predecessor company The Andesa Corporation) Principal and Chief Compliance Officer	2001 to 2009
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Formal Education after High School:

Penn State University
Bachelor of Arts in Economics and Political Science

Professional Designations:

Certified Financial Planner (CFP®)
CFA Charter holder

Michael D. Baittinger

Born 1971

CRD #: 2832152

Business Background:

Andesa Financial Management, Inc. (formerly known as Leber-Andesa Advisors, Inc.) Principal	2010 to Present
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Andesa Strategies, Inc. Principal	2006 to 2009
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Andesa Investment Solutions, Inc.
Principal

2006 to 2009

Formal Education after High School:

Bucknell University
Bachelor of Arts in Religion

Professional Designations:

Certified Financial Planner (CFP®)
Chartered Financial Consultant (ChFC)
Certified Fund Specialist (CFS)

Kelly J. Sheptock
CRD #: 7229968

Born 1995

Business Background:

Andesa Financial Management, Inc.
(formerly known as Leber-Andesa Advisors, Inc.)
Senior Associate

2020 to Present

BSI Corporate Benefits, LLC
Senior Account Executive

2017 to 2020

Formal Education after High School:

Syracuse University
Bachelor of Science in Public Relations

Professional Designations:

N/A

Professional Certifications

Our Supervised Persons maintain professional designations, which require the following minimum requirements:

Chartered Financial Analyst (CFA)

Issued By	CFA Institute
Prerequisites	<ul style="list-style-type: none">• Undergraduate degree and 4 years of professional experience involving investment decision-making, or• 4 years qualified work experience (full time, but not necessarily investment related)

Education Requirements	<p>Candidate must complete the following:</p> <ul style="list-style-type: none"> • Self-study program (250 hours of study for each of the 3 levels)
Exam Type	3 course exams
Continuing Education Requirements	None

Chartered Financial Consultant (ChFC)

Issued By	The American College
Prerequisites	<p>Candidate must meet the following requirements:</p> <ul style="list-style-type: none"> • 3 years of full-time business experience within the five years preceding the awarding of the designation
Education Requirements	6 core and 2 elective courses
Exam Type	Final proctored exam for each course
Continuing Education Requirements	30 CE credits every 2 years

Certified Financial Planner™ (CFP®)

Issued By	<p>Certified Financial Planner Board of Standards</p> <p>Candidate must meet the following requirements:</p>
Prerequisites	<ul style="list-style-type: none"> • A bachelor's degree (or higher) from an accredited college or university, and • 3 years of full-time personal financial planning experience <p>Candidate must complete a CFP®-board registered program, or hold one of the following:</p>
Education Requirements	<ul style="list-style-type: none"> • CPA • ChFC • Chartered Life Underwriter (CLU) • CFA • Ph.D. in business or economics • Doctor of Business Administration • Attorney's License
Exam Type	CFP® Certification Examination
Continuing Education Requirements	30 hours every 2 years

Certified Fund Specialist (CFS)

Issued By	Institute of Business & Finance
Prerequisites	None
Education Requirements	Candidate must complete the following: <ul style="list-style-type: none">• 6 modules
Exam Type	50 questions, 3 exams; 2-5-page written case study
Continuing Education Requirements	None

Item 3: Disciplinary Information

Neither Andesa nor any Supervised Persons have been involved in any activities resulting in a disciplinary disclosure.

Item 4: Other Business Activities

Disclosure on outside business activities is provided in Item 10 – Other Financial Industry Activities and Affiliations. These outside business activities do not create a material conflict of interest with clients.

As disclosed in Item 6 – Performance-based Fees and Side-by-Side Management, neither Andesa nor any supervised persons receive commissions, bonuses or other compensation based on the sale of securities or other investment products.

Several of Andesa’s Supervised Persons may be engaged in additional outside business activities other than those disclosed in Item 10 – Financial Industry Activities and Affiliations.

Michael D. Baittinger is a Partner with LAGR Properties, LLC. Michael D. Baittinger's duties include acquisition of real estate, contracting for rehabilitation, rental, etc. Michael D. Baittinger spends less than 5% of his time on this activity.

Michael D. Baittinger and Paul C. Barbehenn are both equal members in Brainerd Partners, LLC and BP Hamilton, LLC. These entities acquire real estate for rehabilitation and rental, etc. They each spend less than 5% of their time on this activity.

Michael D. Baittinger and Kelly J. Sheptock may also be appointed with several insurance companies and may be able to receive separate compensation for transactions implemented through various insurance companies. Insurance compensation will be separate and distinct from fees charged by Andesa.

Item 5: Additional Compensation

No Supervised Person receives any economic benefit outside of regular salaries or bonuses, except as described in Form ADV Part 2A, Item 12.

Item 6: Supervision

Paul C. Barbehenn, Principal and Chief Compliance Officer, supervises all persons named in this Form ADV Part 2 Investment Adviser Brochure Supplement. Paul C. Barbehenn supervises these persons by holding regular staff, investment and other ad hoc meetings. In addition, Paul C. Barbehenn regularly reviews client reports, emails, and trading, as well as employees' personal securities transaction and holdings reports. Paul C. Barbehenn may be reached at (610) 841-5351.