



# Tandem Moderate Conservative Fund<sup>®</sup>

## A Collective Investment Fund

Available exclusively to qualified retirement plans

### **Fund Name**

Tandem Moderate Conservative Fund (the “fund”)

### **Fund Trustee**

American Trust Company serves as Trustee and administers the Tandem Collective Funds.

### **Fund Sub-Advisor**

The investment sub-advisor for the fund is Tandem Wealth Advisors LLC (the “sub-advisor” or “Tandem”) which serves as an “investment manager” as defined in Section 3(38) of ERISA, with respect to the trust and any plan investing in any fund. Tandem is an SEC-registered investment adviser and all fund assets are invested according to portfolios developed and managed by the sub-advisor. Additional information and firm disclosures are contained in Tandem’s ADV Part 2 brochure, which is available upon request as well as online at [adviserinfo.sec.gov](http://adviserinfo.sec.gov). For further information about the funds, see [tandeminstitutional.com](http://tandeminstitutional.com).

### **Fund Benchmark**

Morningstar Moderately Conservative Target Risk TR USD (benchmark)

### **Investor Profile**

The Tandem Moderate Conservative Fund seeks to protect a larger portion of the portfolio’s value, while taking on some risk with equity exposure for inflation protection. While still holding a portion of its assets in equities, a higher percentage in fixed income dampens short-term volatility, foregoing higher long-term returns for stability. With a balance of 40% of assets in equities and 60% of assets in fixed income and money market securities, this portfolio is suitable for investors who:

- Have a short-to-intermediate timeframe or a moderate conservative level of risk
- Seek stable returns with capital appreciation
- Seek some opportunity to increase the value of investments

Our target risk or risk-based approach is keyed to investor’s savings, tolerance, goals and concerns, enabling them to invest realistically. The fund provides diversification across multiple asset classes consistent with an investor’s risk profile.

### **Investment Objective**

The fund seeks to provide long-term investors with an asset allocation strategy keyed to their level of risk and investment time horizon. Each portfolio uses a disciplined allocation strategy to build a diversified core portfolio. This strategy captures market returns at low cost and provides a well-rounded investment for retirement.

## Investment Strategy

Tandem constructs and manages a suite of risk-based asset allocation models called the Tandem ETF Portfolios®, consisting mainly of exchange-traded funds that are believed to be (compared to open-end mutual funds) generally lower-cost, tax-efficient, and transparent, using a top-down approach to portfolio construction, asset allocation, sub-asset allocation, and investment selection. The objective of these strategies is to provide investors with many of the benefits of a traditional professionally managed portfolio in a single investment fund or account, keyed to their risk tolerance. In general, these strategies seek to minimize risk rather than maximize returns. Each portfolio provides diversification across multiple asset classes consistent with an investor's risk profile. Tandem's disciplined strategy to asset allocation generally seeks to take advantage of both potential long and short-term opportunities. The Tandem ETF Portfolios focus on the long term, providing investors with both broad market exposure and risk control, but the stated specific strategy of each of the Tandem ETF Portfolios can vary. Diverse asset classes can reduce volatility and produce a sustainable return over a full market cycle. A smaller portion of the Tandem ETF Portfolios, the adaptable overlay, seeks to take advantage of short-term opportunities that are believed to either mitigate risk or generate additional returns.

Tandem's investment process utilizes a proprietary, expansive dataset of macroeconomic indicators and variables, enabling our team of strategists to maximize key, real-time data to make asset allocation decisions. Our actively managed portfolios use diversification, balance, and a consistent investment process to smooth returns over total market cycles while pursuing a total return strategy that produces growth and income.

As noted above, Tandem is the investment sub-advisor to a series of collective investment funds, or collective investment trusts, known as the Tandem Collective Funds. The Tandem ETF Portfolios are available through the Tandem Collective Funds.

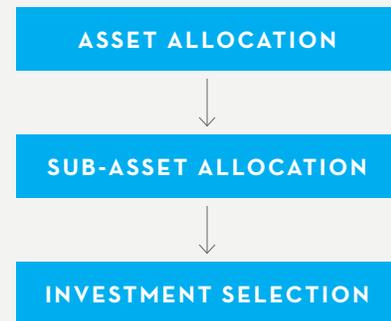
## Principal Risks of Investing in the Fund

No investment strategy to include asset allocation and diversification protects against loss and/or volatility. There is no guarantee that this or any other investment strategy will perform well during adverse market conditions nor be suitable for every investor. Actual outcomes may vary. Past performance does not guarantee future results. The investment return and principal value of any investment may fluctuate, and an investor's shares may be worth more or less than the original cost at any given time or upon redemption. Before investing, investors should consider the investment objectives, expenses, and risks of a portfolio on their own or with the help of an investment professional.

## Regulatory

Tandem is the investment sub-advisor to a series of collective investment funds (CIFs), or collective investment trusts (CITs), known as the Tandem Collective Funds. Collective funds are subsets of tax-exempt trusts established and maintained by a trustee for the collective investment of assets of

### A top-down approach to portfolio construction



certain qualified retirement plans identified under section 401(a) of the Internal Revenue Code and certain governmental and church plans. Both defined contribution and defined benefit plans may invest in a collective fund.

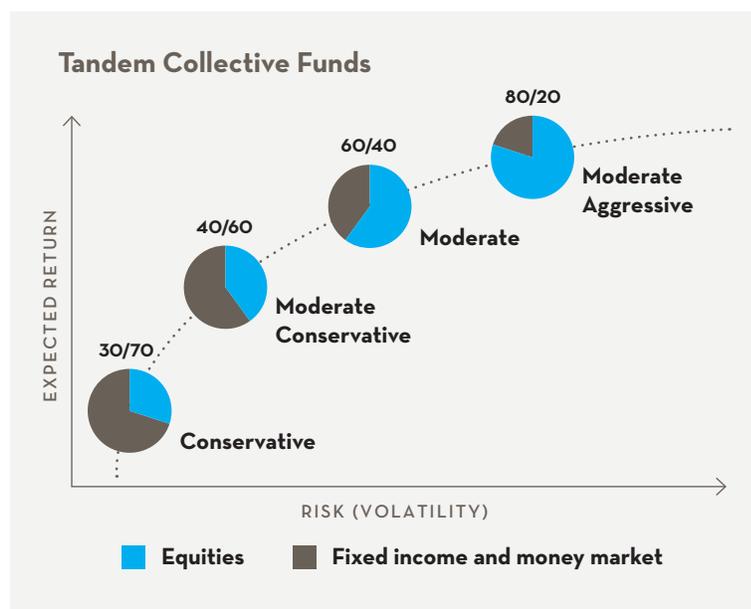
Collective funds are exempt from the Investment Company Act of 1940 and securities registration requirements of the Securities Act of 1933. In addition to compliance with Internal Revenue Service requirements needed to maintain their tax-exempt status, collective funds are regulated under federal banking laws by the U.S. Department of Treasury/ Office of the Comptroller of the Currency (OCC) under OCC regulation 9.18 or state banking regulations, depending on whether the trusts are maintained by a national or state bank. Collective funds are subject to the Employee Retirement Income Security Act (ERISA), U.S. Department of Labor (DOL) regulations and Internal Revenue Service requirements but are not subject to regulation by the Securities and Exchange Commission (SEC). Collective funds are, in many ways, the functional equivalent of open-end mutual funds and can allow investors efficient access to an investment strategy through a pooled investment designed for multiple underlying investors.

American Trust Company sponsors and maintains the Tandem Collective Funds. The offering documents for these collective funds include the Declaration of Trust, which provides a description of each of the funds and provisions governing their operation, and a Participation Agreement which must be executed by a plan in order to invest. The Participation Agreement also lists the fee schedule for the collective funds.

American Trust Company, as an ERISA fiduciary, must make investment and management decisions intended to be in the best interest of participating plans for plan participants and must comply with all other ERISA requirements applicable to plan investments. This fiduciary status provides an additional level to oversight not found in mutual funds. Further, the trustee generally has somewhat greater flexibility to provide a fund that fits the stated investment goals and strategic objectives of the trust vs. constraints common to open-end mutual funds.

The Tandem Collective Funds are priced and traded daily, using standardized trading automation for managing and rebalancing, and clearing (processing and settling trades) through the National

Securities Clearing Corporation (NSCC) – much like an open-end mutual fund. Additionally, like mutual funds, performance reporting provides plan participants and plan sponsors with access to detailed information in a timely manner. Asset and unit values for plan participants are obtained from NSCC and published by the custodian of the trust, Mid Atlantic Trust Company, and made available to plan participants via their retirement plan’s online access or statements.



Additional information about the Tandem Collective Funds is available in the Declaration of Trust and Employee Benefit Summary. These documents may be obtained by be obtained by emailing American Trust Company here: [www.americantrustretirement.com/contact-us/](http://www.americantrustretirement.com/contact-us/).

## **Additional Fund Information**

### ***Initial Investment***

While there is no initial investment minimum or plan asset minimum for the Investor Class, plans with less than \$10MM may consider investing directly in the Tandem ETF Portfolios rather than the Tandem Collective Funds.

### ***Shares Classes***

The Tandem Collective Funds have three shares classes: Investor, Select and Institutional. The Trustee may establish additional classes of units at any time.

### ***Investment Sub-Advisor Fee***

Management fees of the Tandem Collective Funds are based on the level of managed assets (the more managed in a collective fund, the lower the fee). Tandem's sub-advisory fees for these products are in the range of 0.20%-0.40% (annualized).

The fees accrue daily based on market value and are deducted monthly in arrears from the trust. The fees cover both investment sub-advisory and administrative services. Unlike mutual funds, where many marketing related costs are directly deducted from the associated funds, any marketing costs incurred by Tandem do not result in additional charges to the Tandem Collective Funds.

### ***Underlying Fund Expenses***

This expense reflects the weighted average underlying fund expense ratios.

### ***Total Expense Ratio***

The total expense ratio is a measure of all costs associated with managing and operating the collective fund to include additional fund expense, legal, operational, trading, and trustee fees.

## **Tandem Moderate Conservative Fund**

<b>Share Classes</b>	<b>Investor (Inv)</b>	<b>Select (Sel)</b>	<b>Institutional (Instl)</b>
CUSIP	19421F487	19421F446	19421F396
Investment Minimum or Plan Asset Minimum	n/a	\$10MM	\$20MM
	n/a	\$100MM	\$200MM
Trustee and Custody Fee	0.08%	0.08%	0.08%
Tandem Sub-Advisor Fee	0.40%	0.30%	0.20%
Underlying Fund Expenses	0.24%	0.24%	0.24%
<b>Total Expense Ratio (bps)</b>	<b>0.72%</b>	<b>0.62%</b>	<b>0.52%</b>

3(38) or plan advisor with \$100MM will be aggregated across their book. Call Tandem at 602-635-3600.

## **Contributions and Withdrawals**

American Trust Company, as trustee of the Tandem Collective Funds, receives contributions and invests them in accordance with the proper investment directions from an authorized party. Requests to purchase or redeem units of the Tandem Collective Funds must be received before 4 PM ET on a valuation date on a day markets are open. Authorized party such as a plan participant or plan sponsor may instruct American Trust Company to redeem some or all shares, which will be redeemed at the unit value per share pursuant to the trade cutoff time. Redemption proceeds will generally be paid to the account within one business day after receipt of the redemption request.

## **Tandem's Unique Objective**

Tandem seeks competitive performance while controlling risk through a disciplined, strategic approach to asset allocation. Our commitment to keeping portfolio costs as low as possible translates to better capital preservation and unhindered returns for investors. When possible, in response to economic, geopolitical, market or other conditions, Tandem may shift its outlook to manage risk and/or seek returns greater than the market.

## **Portfolio Managers**

### **Amy Bush, CFA**



Amy Bush, Chief Investment Strategist, brings over 25 years of investment management experience to Tandem. She spent most of her career with Victory Capital Management in various functions including performance analytics, credit analysis, trading, portfolio management and as a fixed-income product specialist. Focusing on the convertible securities market, she co-managed a \$1.5 billion portfolio for both institutional and retail clients, including a mutual fund that earned a Lipper award for 5-year performance. Managing this hybrid asset class for nearly 20 years gave her the unique opportunity to study both the US equity and fixed-income markets throughout her career. Bush's objective is to utilize her experience investing through multiple market cycles to help clients safely and soundly reach their investment goals.

She holds a B.S. in Business with a concentration in Finance from Miami University and an MBA with a concentration in Finance from Case Western Reserve University. Additionally, she is a holder of the Chartered Financial Analyst® designation.

### **C. Angus Schaal, CFP®**



C. Angus Schaal, Founder and Senior Managing Director, has over 20 years of investment management experience. A CERTIFIED FINANCIAL PLANNER™ professional, he is an honors graduate of Marlboro College, with additional studies at Cleveland State University and Arizona State University. Schaal worked with Victory Capital Management, a former investment subsidiary of Key Bank, where he administered portfolios for individuals, businesses and non-profits. Schaal specializes in streamlining complex investment situations and integrating client values and goals with the most appropriate investment strategies to create low-cost, efficient portfolios. His objective is to preserve, protect and grow the capital of clients so they have the ability to sustain their standard of living during retirement. Schaal

has been published in the *Journal of Financial Planning* and quoted on *Forbes.com*, *InvestmentNews.com* and *USAToday.com*.

## **Disclosures**

Current and prospective retirement plans are encouraged to review the Declaration of Trust for additional details regarding the collective funds and their operations. Further information regarding the collective funds, including performance and portfolio holdings can be found at [tandeminstitutional.com](http://tandeminstitutional.com). The Tandem Collective Funds are not guaranteed by the trustee nor its affiliates to include the sub-advisor. The collective funds are not insured or guaranteed by the FDIC, the Federal Reserve Bank or any government agency. Investment products offered are not bank guaranteed and may lose value.

For more information about the Tandem Collective Funds, please contact us to receive the Tandem Collective Funds – Disclosures and Information document.