

Part 2A of Form ADV: Firm *Brochure*

Item 1 Cover Page

Uniform Application for Investment Advisor Registration

Schaffer & Company Asset Management, Inc.

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Date: March 29, 2019

Disclosures:

****This brochure provides information about the qualifications and business practices of Schaffer & Company Asset Management, Inc. If you have any questions about the contents of this brochure, please contact us at (585) 621-3300 and/or email us at admin@gregoryschaffer.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.****

****Additional information about Schaffer & Company Asset Management, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov.****

****Schaffer & Company Asset Management, Inc. is a "Registered Investment Adviser" with the Securities & Exchange Commission and that registration does not imply a certain level of skill or training.****

Date: 03/29/2019

CRD #138463

SEC File Number 801-92168

Item 2 Material Changes

SCHAFFER made no material changes since the last annual update of its firm's brochure dated on March 28, 2018.

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Item 4 Advisory Business

A. Advisory Firm Description and Principal Owner

Schaffer & Company Asset Management, Inc. (hereinafter "SCHAFFER" or the "firm") is a Registered Investment Adviser with the Securities and Exchange Commission. Individuals associated with the firm provide SCHAFFER'S advisory services. These individuals are appropriately registered, qualified or authorized to provide advisory services on the firm's behalf and are known as Investment Adviser Representatives (IAR'S).

Schaffer & Company Asset Management, Inc. was established in year 2005 to present.

Gregory Lee Schaffer is an IAR's for the firm who is also the CEO, CIO, President and Director.

The Gregory Lee Schaffer Living Trust dated 12/07/1999 is 100% shareholder of Schaffer & Company Asset Management, Inc.

B. Types of Advisory Services

Schaffer provides fully discretionary and non-discretionary portfolio management on a continuous basis. The investment advice provided by SCHAFFER is variable depending upon the desires, objectives, and other preferences of the client. Such advice may include the origination of investment ideas, investment buy/sell recommendations, and portfolio management, including the potential selection of securities for the account of the client on the basis of the client's needs and objectives.

SCHAFFER offers comprehensive financial planning services on an hourly basis at \$210 per hour or on a fixed fee basis. The firm gives the client the flexibility to engage its services on either a one-time basis or ongoing basis. An IAR of the firm first conducts an initial consultation during which pertinent information about the client's current financial status, future goals, and attitude towards risk is collected. Once such information has been reviewed and analyzed, a written financial plan - designed to achieve the Clients' stated financial goals and objectives - will be produced and presented to the Client.

In general, the financial plan will address the following areas:

PERSONAL: Family records, budgeting, personal liability, estate information, and financial goals.

TAX & CASH FLOW: Income tax and spending analysis and planning for past, current and future years. SCHAFFER will illustrate the impact of various investments on a client's current income tax and future tax liability.

DEATH & DISABILITY: Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis.

RETIREMENT: Analysis of current strategies and investment plans to help the client achieve his or her retirement goals.

INVESTMENTS: Analysis of investment alternatives and their effect on a client's portfolio.

Financial planning fees will be calculated based upon the extent and complexity of the individual client's personal circumstances. Fees for financial planning services will typically range from \$600 to \$1,500. All fees are agreed upon prior to entering into the financial planning agreement with the client. Financial planning fees are due and payable upon completion of the contracted services. In limited circumstances, SCHAFFER may require a minimum fee. Financial planning fees are negotiable in certain circumstances and arrangements with any particular client may differ from those described above.

Financial plans are based on the client's financial situation at the time the plan is presented and are based on financial information disclosed by the client to SCHAFFER. Clients are advised that certain assumptions may be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. Past performance is in no way an indication of future performance. SCHAFFER cannot offer any guarantees or promises that the client's financial goals and objectives will be met. Further, the client must continue to review any plan and update the plan based upon changes in the client's financial situation, goals, or objectives or changes in the economy. As the client's financial situation, goals, objectives, or needs change, client must notify SCHAFFER promptly.

Should a client choose to implement the recommendations contained in the financial plan, SCHAFFER suggests the client work closely with his/her IAR, attorney, accountant, insurance agent, and/or stockbroker. Implementation of the financial plan is entirely at the client's discretion.

In addition to the aforementioned services, SCHAFFER provides advice on non-securities matters. Generally, this in connection with the rendering of estate planning, insurance, and/or annuity advice.

The financial planning agreement may not be modified or amended except in writing and signed by both the SCHAFFER and the Client. SCHAFFER and the Client may terminate the agreement within five days of the date of acceptance with no penalty to the Client. After the five-day period, either party may terminate the agreement, at any time, effective upon the receipt of written notice. SCHAFFER will return to the Client any unused portion of the prepaid financial planning fees.

C. Explanation of Tailoring Advisory Services

Through personal discussions, the IAR will gather information from the Client including current investments (if any), and current financial condition, and obligations. The IAR will then recommend various types of investments to construct a portfolio suited to meet the Client's identified goals, financial needs and investment objectives in light of current economic and market conditions. A portfolio may include Exchange Traded Funds (ETF's) Mutual Fund shares, Variable Annuities, Individual stocks, Stock Options, Warrants, Bonds, CD's, Treasuries or any other investment product deemed suitable for client.

D. Wrap Fee Programs

SCHAFFER do not participate in *wrap fee programs*.

E. Discretionary and Non-Discretionary Assets

SCHAFFER manages client assets discretionary. The amount of client assets SCHAFFER manages on a discretionary basis is \$36,206,526.32 as of December 31, 2018.

SCHAFFER does not currently manage non-discretionary assets.

Item 5 Fees and Compensation

A. Fee Schedule

Portfolio management fees are generally payable monthly in arrears and are based on the following annual fee schedule:

Managed combined accounts under \$50,000, \$75 per month

1.95% per annum on assets under management from \$50,001 to \$100,000

1.75% per annum on assets under management from \$100,001 to \$250,000

1.50% per annum on assets under management from \$250,001 to \$500,000

1.25% per annum on assets under management from \$500,001 to \$1,000,000

1.00% per annum on assets under management from \$1,000,001 to \$4,999,000

0.80% per annum on assets under management over \$5,000,000

The foregoing represents the fees the firm generally charges. However, fees are negotiable in certain circumstances and arrangements with any particular client may differ from those described above based on level of service provided.

The portfolio management agreement may not be modified or amended except in writing and signed by both SCHAFFER and the Client. SCHAFFER or the Client may terminate the agreement within five days of the date of acceptance without penalty to the Client. After the five-day period, agreement can terminate upon 30 days written notice from the Client; or (2) five business days after mailing by SCHAFFER of notice of termination to the Client; or (3) at such time as otherwise mutually agreed upon in writing by SCHAFFER and the Client.

B. Billing Method

Fees are payable at the end of each month, computed on the value of the account using the last known balance of the account on the last day of the month. The fee is prorated for a partial month based on the number of days in the month.

Fees shall be deducted from clients' account unless client chooses to pay from another source. Fees are shown on month end statements for TD AMERITRADE clients as "MONTHLY MGMT FEE SCHAFFER & CO ASSET MGMT" in the account activity section. Invoices are mailed out at the beginning of the month for pension clients who do not have accounts with TD AMERITRADE. Client will notify SCHAFFER in writing prior to agreement execution. Detailed

billing statements are produced and available upon request at any time.

C. Other Types of Fees or Expenses

In addition to portfolio management fees listed above, additional services such as comprehensive financial planning, tax planning, estate planning, 529 plans, etc. shall be billed at \$210 per hour or fixed fees.

D. Advance Payments

SCHAFFER does not normally accept advance payments but will refund for portion of fees paid in advance as agreed between SCHAFFER and the client(s) upon termination of agreement.

E. Compensation

The fee charged is calculated as described above and is not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory Client (SEC Rule 205(a)(1)).

1. SCHAFFER does not participate in compensation to *supervised persons* for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.
2. SCHAFFER has not entered into agreements with various third-party investment advisers. Schaffer directly provides investment supervisory services on all assets.
3. Principals and associated persons of SCHAFFER will sell insurance products and will receive compensation on the sale of such products from the insurance companies directly.
4. While SCHAFFER endeavors at all times to put the interest of the Clients first as part of SCHAFFER'S fiduciary duty, Clients should be aware that the receipt of additional compensation itself creates a potential conflict of interest.

Although SCHAFFER believes its advisory fees are competitive, lower fees for comparable services may be obtained from other sources.

Depending on certain circumstances, SCHAFFER may require a minimum fee for financial planning clients. This will be discussed and agreed upon prior to entering into a contract with any client.

The foregoing represents the fees the firm generally charges. However, fees are negotiable in certain circumstances and arrangements with any particular client may differ from those described above based on level of service provided.

The portfolio management agreement may not be modified or amended except in writing and signed by both SCHAFFER and the Client. SCHAFFER or the Client may terminate the agreement within five days of the date of acceptance without penalty to the Client. After the five-day period, agreement can terminate upon 30 days written notice from the Client; or (2) five business days after mailing by SCHAFFER of notice of termination to the Client; or (3) at such

time as otherwise mutually agreed upon in writing by SCHAFFER and the Client.

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

With SCHAFFER'S discretionary authority to select the broker dealer to use and the commission rates to be paid for client transactions, SCHAFFER will endeavor to select those brokers or dealers that will provide the best services at the lowest commission rates possible. The reasonableness of commissions is based on several factors, including the broker's ability to provide professional services, competitive commission rates, volume discounts, execution price negotiations, research and other services which will help SCHAFFER in providing investment management services to clients. SCHAFFER may, therefore, use a broker who provides useful research and securities transaction services even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction assistance. Research services may be useful in servicing all our clients, and not all of such research may be useful for the account for which the particular transaction was affected.

SCHAFFER will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block. Block trading allows SCHAFFER to execute equity trades in a timelier, equitable manner.

SCHAFFER reserves the right to decline to enter into an advisory agreement with a client who directs the use of a particular broker dealer, if SCHAFFER believes that the use of that broker dealer would inhibit SCHAFFER'S ability to provide advisory services to the client.

SCHAFFER participates in the TD AMERITRADE INSTITUTIONAL program. TD AMERITRADE INSTITUTIONAL is a division of TD AMERITRADE, Inc. ("TD AMERITRADE") member FINRA/SIPC/NFA. TD AMERITRADE is an independent and unaffiliated SEC-registered broker-dealer. TD AMERITRADE offers to independently registered investment advisers services which include custody of securities, trade execution, and clearance and settlement of transactions.

SCHAFFER may have a conflict of interest in recommending to its clients that their assets be held in custody with TD AMERITRADE and in placing transactions for client accounts with TD AMERITRADE, because TD AMERITRADE considers the amount and profitability to TD AMERITRADE of the assets in, and trades placed for SCHAFFER'S client accounts when determining whether to provide or continue providing Additional Services to SCHAFFER. SCHAFFER receipt of Additional Services does not diminish the Firm's duty to act in the best interests of its clients, including seeking best execution of trades for clients' accounts.

The principal executive officers and associated persons of SCHAFFER, as insurance agents or brokers of various insurance companies, are able to purchase investment products (insurance) for any client. These individuals will receive separate, yet customary compensation for effecting any insurance transactions. Clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

SCHAFFER or individuals associated with SCHAFFER may buy or sell securities identical to those recommended to customers for their personal accounts. In addition, any related

person(s) may have an interest or position in a certain security that may also be recommended to a Client.

It is the expressed policy of SCHAFFER that no person employed by SCHAFFER may purchase or sell any security prior to a transaction being implemented for an advisory account.

As these situations represent a conflict of interest, SCHAFFER has established the following restrictions in order to ensure its fiduciary responsibilities:

1. A director, officer, member or employee of SCHAFFER shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No person of SCHAFFER shall prefer his or her own interest to that of the advisory Client.
2. All Clients are fully informed that SCHAFFER IAR'S may receive separate compensation when effecting transactions during the financial planning implementation process.
3. SCHAFFER emphasizes the unrestricted right of the Client to select and choose any broker or dealer and/or insurance company he/she wishes. Clients should understand that advisory by SCHAFFER would require the Client selecting and using SCHAFFER and the registered representative of SCHAFFER to qualify for participation in the advisory service or program.
4. SCHAFFER requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
5. Any individual not in observance of the above may be subject to remedial sanctions, including termination of employment and association with SCHAFFER.

Pursuant to FINRA Rule 4210(f)(9), all net gains from trade corrections are prohibited in Advisor Error Accounts. Effective April 1, 2014, all gains will automatically move to a designated Error Account by TD AMERITRADE on daily basis. TD AMERITRADE will subsequently donate these funds to the American Red Cross or to the 501(c)(3) charity of SCHAFFER's choice.

Item 7 Types of Clients

SCHAFFER provides investment advice to individuals, trusts, estates, charitable organizations, pensions and profit sharing plans, corporations and business entities.

Depending on certain circumstances, SCHAFFER may require a minimum fee for financial planning clients. This will be discussed and agreed upon prior to entering into a contract with any client.

Should a client choose to implement the recommendations contained in the financial plan, SCHAFFER suggests the client work closely with his/her IAR, attorney, accountant, insurance agent, and/or stockbroker. Implementation of the financial plan is entirely at the client's discretion.

The financial planning agreement may not be modified or amended except in writing and signed

Date: 03/29/2019

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by both the SCHAFFER and the Client. SCHAFFER and the Client may terminate the agreement within five days of the date of acceptance with no penalty to the Client. After the five-day period, agreement can terminate upon 30 days written notice from the Client; or (2) five business days after mailing by SCHAFFER of notice of termination to the Client; or (3) at such time as otherwise mutually agreed upon in writing by SCHAFFER and the Client. SCHAFFER will return to the Client any unused portion of the prepaid financial planning fees.

In addition to the aforementioned services, SCHAFFER provides advice on non-securities matters. Generally, this in connection with the rendering of estate planning, insurance, and/or annuity advice.

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

- A. SCHAFFER employs "Top Down" approach which focuses first on the outlook for the overall economy on a short, intermediate and long term basis. SCHAFFER looks at the "Big Picture" in the economy and financial world and then breaks those components down into finer details. After looking at the big picture conditions around the world, the different industrial sectors are analyzed in order to select those that are forecasted to outperform the market.

From this point individual investments that are suspected to be superior are further analyzed And ultimately chosen in accordance with clients' investment objectives and goals.

Clients should be prepared that investment results cannot be guaranteed and past results cannot determine future outcome. Investing in securities involves risk of loss.

SCHAFFER will aggregate trades for itself and/or for its associated persons with client trades, providing that the following conditions are met:

SCHAFFER'S policies for the aggregation of transactions shall be fully disclosed in this Form ADV and separately to SCHAFFER'S existing clients and the broker-dealer(s) through which such transactions will be placed.

SCHAFFER will not aggregate transactions unless it believes that aggregation is consistent with its duty to seek best execution (which includes the duty to seek best price) for its clients and is consistent with the terms of SCHAFFER'S investment advisory agreement with each client for which trades are being aggregated.

No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all SCHAFFER'S transactions in a given security on a given business day, with transaction costs shared pro-rata based on each client's participation in the transaction;

SCHAFFER will allocate an aggregated order in an Allocation Statement (list of clients and their respective share of the aggregated order) based on client objectives, monies available for trading and special circumstances determined prior to selling out that allocation.

If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the Allocation Statement; if the order is partially filled, it will be allocated pro-rata based on the Allocation Statement.

Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the Allocation Statement if all client accounts receive fair and equitable treatment and the reason for different allocation is explained in writing and is approved by SCHAFFER'S compliance officer no later than one hour after the opening of the markets on the trading day following the day the order was executed.

SCHAFFER'S books and records will separately reflect, for each client account, the order of which are aggregated, the securities held by, and bought and sold for that account.

Funds and securities of clients whose orders are aggregated will be deposited with one or more banks or broker-dealers, and neither the clients' cash nor their securities will be held collectively and longer than is necessary to settle the purchase or sale in question on a delivery versus payment basis; cash or securities held collectively for clients will be delivered out to the custodian bank or broker-dealer as soon as practicable following the statement.

SCHAFFER will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation; and individual advice and treatment will be accorded to each advisory client.

- B. Securities and other types of investments all bear different types and degrees of risks. Those risks are typically discussed with Clients in defining the investment policies and objectives that will guide investment decisions for their accounts. Upon request, as part of our advisory services, SCHAFFER IAR'S can discuss those investments and investment strategies that they believe may tend to reduce these risks for a particular Client's circumstance.

Clients must realize that obtaining higher rates of return on investments entails accepting levels of risk. Based upon discussions with clients, SCHAFFER IAR'S attempt to identify balance of risks and rewards that are appropriate and comfortable for the Client. It is still the Client's responsibility to ask questions if he or she does not fully understand the risks Associated with any investment. Clients are strongly encouraged to read prospectuses Applicable, and ask questions prior to investing.

When appropriate, to the needs of the client, SCHAFFER may recommend the use of short sales, margin transactions, option writing or other forms of options. Because these investment strategies involve certain degrees of risk, they will only be recommended when consistent with the client's investment experience and stated risk tolerance.

- C. SCHAFFER IAR'S strive to render their best judgment for Clients. Still, Clients cannot be assured that investments will be profitable or that no losses will occur. Past performance is an important consideration with respect to any investment or investment adviser, but it is not necessarily an accurate predictor of current or future performance or trends.

SCHAFFER does not represent, warranty or imply that the services or methods of analysis used by the firm can or will predict future results, successfully identify market tops or bottoms, or insulate Clients from losses due to market corrections or crashes.

Item 9 Disciplinary Information

SCHAFFER does not have past or pending disciplinary events material to a *client's* or prospective *client's* evaluation of its advisory business such as criminal or civil action of a management person, administrative proceeding before NYS Department of State or a *self-regulatory organization*.

Item 10 Other Financial Industry Activities and Affiliations

- A. Gregory L. Schaffer of SCHAFFER was formerly affiliated with Northeast Securities, Inc. as a General Securities Registered Representative.
- B. SCHAFFER does not have anyone currently registered, or have an application pending to Register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.
- C. Gregory L. Schaffer is the President of Schaffer & Company Financial Services and Schaffer Accounting & Tax Services which are trade names under Beacon of Light Financial Services, Inc., an Accounting firm and may recommend advisory to clients these services and will receive separate fees disclosed for accounting services provided. The principal executive officers and associated persons of SCHAFFER are agents and/or brokers of various insurance companies. Gregory L. Schaffer is the CEO & President of The Gregory L. Schaffer Insurance Agency, Inc., an insurance agency that may be recommended to advisory clients. If an advisory client implements recommendations made by IAR'S in their capacities as insurance agents and/or brokers, IAR will receive additional compensation.

Gregory L. Schaffer is the President of Beacon of Light Wealth Preservation, Inc. which provides professional trustee and executor services; advisory clients may be recommended these services at an additional separate charge from advisory fees.

Gregory L. Schaffer is the president of Beacon of Light USA, a d/b/a of Beacon of Light of Light Financial Services, Inc. which provides full real estate services. Advisory clients may be recommended these services at an additional separate charge from advisory fees.

All services outside of the advisory agreement will be acknowledge with agreements in writing and/or engagement letters and clearly will be at industry standards for services provided, discounts may be given and are not to be associated with giving discounts in lieu of performance for advisory services.

- D. SCHAFFER has not entered into agreements with various third-party investment advisers. SCHAFFER directly provides investment supervisory services on all assets.

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

A. Code of Ethics

SCHAFFER honors your relationship with us and we respect the confidentiality and security of

your private personal and financial information. The following is a summary of our Privacy Policy, which is in place to protect your information while we serve your investment needs.

Non-public information about you may be disclosed in order to process transactions in your accounts with broker-dealers or custodians, to respond to inquiries from you, or to fulfill legal and regulatory requirements. We do not make any disclosures of information to other companies who may want to sell their products or services to you.

Our employees are instructed to protect the confidentiality of information and are required to comply without established policies.

SCHAFFER'S commitment to protecting your privacy has always been our policy. We will continue to safeguard your privacy and the confidentiality of the information you provide to us.

In addition, SCHAFFER has adopted a Code of Ethics pursuant to Rule 204A-1 under the Investment Advisers Act of 1940. This Code reflects SCHAFFER'S high standards for the conduct of its business and for the proper performance of its duties with regard to its clients.

A copy of this Code of Ethics is available to all or prospective clients upon request.

B. Participation or Interest in *Client* Transactions

The principal executive officers and associated persons of SCHAFFER, as insurance agents or brokers of various insurance companies, are able to purchase investment products (insurance) for any client. These individuals will receive separate, yet customary compensation for effecting any insurance transactions. Clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

SCHAFFER or individuals associated with SCHAFFER may buy or sell securities identical to those recommended to customers for their personal accounts. In addition, any related person(s) may have an interest or position in a certain security that may also be recommended to a Client.

C & D. Personal Trading

It is the expressed policy of SCHAFFER that no person employed by SCHAFFER may purchase or sell any security prior to a transaction being implemented for an advisory account.

As these situations represent a conflict of interest, SCHAFFER has established the following restrictions in order to ensure its fiduciary responsibilities:

1. A director, officer, member or employee of SCHAFFER shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No person of SCHAFFER shall prefer his or her own interest to that of the advisory Client.
2. All Clients are fully informed that SCHAFFER IAR'S may receive separate compensation when effecting transactions during the financial planning implementation process.
3. SCHAFFER emphasizes the unrestricted right of the Client to select and choose any broker or dealer and/or insurance company he/she wishes. Clients should understand that advisory services provided by SCHAFFER would require the Client selecting and using SCHAFFER and the registered representative of SCHAFFER to qualify for participation in the advisory service or program.
4. SCHAFFER requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
5. Any individual not in observance of the above may be subject to remedial sanctions, including termination of employment and association with SCHAFFER.

Item 12 Brokerage Practices

- A. For discretionary clients, SCHAFFER requires that it be provided with written authority to determine which securities and the amount of securities that are bought or sold, as well as the broker or dealer to be used and the commission rates to be paid.

Any limitations on this discretionary authority shall be included in the written authority statement. Clients may amend these limitations as required. Such amendments must be submitted in writing.

1. Research and Other Soft Dollar Benefits (a, b, c, d, e, & f)

SCHAFFER does not participate in soft dollar benefits at the present time.

2. Brokerage for Client Referrals (a & b)

SCHAFFER does not have relationship for client referrals with broker or dealer at the present time.

3. Directed Brokerage (a & b)

SCHAFFER does not participate in directed brokerage relationship.

- B. See Item 8 of this document for conditions when SCHAFFER will aggregate the purchase or sale of securities for client accounts.

Item 13 Review of Accounts

- A. Portfolio Management: For investment supervisory services clients, SCHAFFER will review the underlying positions continuously. Each client account is reviewed based on investment objectives and other factors. Accounts are subject to more frequent reviews triggered by significant changes in variables such as the market, political or economic climate, or changes in a client's individual circumstances.
- B. Review includes portfolio structure, asset allocation and stock selection and considers the clients' stated investment objectives. Financial Planning: No formal reviews will be conducted for SCHAFFER financial planning clients. All client accounts are reviewed by an officer of SCHAFFER.
- C. Portfolio Management: For investment supervisory services clients, SCHAFFER will provide monthly reports consisting of brokerage and custodial statements. Clients that engage SCHAFFER for pension investment supervisory services will receive statement direct from custodian either monthly or quarterly based on custodians policies. Performance valuations and reviews are provided at client request.

Financial Planning: Reports for SCHAFFER financial planning clients will be contracted for at the inception or during the advisory relationship.

Item 14 Client Referrals and Other Compensation

- A. While SCHAFFER endeavors at all times to put the interest of the Clients first as part of SCHAFFER'S fiduciary duty, Clients should be aware that the receipt of additional compensation itself creates a potential conflict of interest.
- B. Principals and associated persons of SCHAFFER will sell insurance products and will receive compensation on the sale of such products.

Item 15 Custody

SCHAFFER does not have custody of advisory clients' cash, bank accounts or securities as these are held with TD AMERITRADE the custodian.

Its related person, Gregory L Schaffer, Sr. when acting in a trustee capacity under Beacon of Light Wealth Preservation, Inc. does have custody of cash & bank account(s) due to trustee responsibilities. Monthly statements are forwarded to the grantor and/or beneficiary(s) of the trust as they are received from TD AMERITRADE for accounting and informational purposes. Please carefully review the statements received.

Item 16 Investment Discretion

SCHAFFER accepts *discretionary authority* to manage securities accounts on behalf of *clients* and *clients* would initial TD AMERITRADE Limited Power of Attorney at the time when new account application is signed to provide authorization to execute trades in their accounts.

Item 17 Voting *Client* Securities

- A. SCHAFFER does accept authority to vote *clients'* securities. In pursuant to SEC rule 206(4)-6, *clients* may sign TD AMERITRADE Authorization to Mail Proxies to Financial Advisor (Agent). TD AMERITRADE will forward proxy soliciting materials, annual reports and other related issuer material, normally sent to *clients*, to SCHAFFER (Agent) and to allow Agent to vote proxies on their behalf.

Agent holds discretionary authority over *clients'* accounts pursuant to an advisory contract with SCHAFFER. *Clients* understand that this authorization may be rescinded at any time for any reason, by a written notice addressed to TD AMERITRADE and delivered to SCHAFFER.

Clients have option of receiving informational copies (non-votable).

Clients may obtain a copy of SCHAFFER proxy voting policies and procedures upon request.

- B. If SCHAFFER does not have authority to vote client securities, *clients* will receive their proxies or other solicitations directly from TD AMERITRADE.

Should *clients* have any questions or concerns, it is recommended that he/she contacts SCHAFFER immediately for clarification before voting on such proxies.

Item 18 Financial Information

- A. SCHAFFER does not require or solicit prepayment of more than \$1,200 in fees per *client*, six months or more in advance, therefore no need to disclosed balance sheet information.
- B. There are no financial conditions that are reasonably likely to impair SCHAFFER ability to meet contractual commitments to clients.
- C. SCHAFFER has never petitioned bankruptcy filing at any time during the past ten years.

Item 19 Requirements for SEC Registered Advisers

A, B, & C. Education and Business Background

Gregory Lee Schaffer *Year of Birth:* 1964

Formal Education After High School:

- Kaplan University, New York, NY
- St. John Fisher College, Rochester, NY
- Certified Financial Planner-CFP® ***
- Registered Financial Consultant-RFC® ****

Business Background for Previous Five Years:

- Schaffer & Company Asset Management, Inc, Rochester, NY
2005 -Present, CEO, CIO, President, Director
- Beacon of Light Financial Services, Inc., Rochester, NY
2010-Present, CEO, President, Director
d/b/a Schaffer & Company Financial Services
d/b/a Schaffer Accounting & Tax Services
d/b/a Schaffer Wealth Preservation & Capital Management
d/b/a Beacon of Light Realty USA
d/b/a Schaffer & Co Exotic Motorcars- NYS Licensed Auto, Boat Dealer & Yacht Broker
- Beacon of Light Wealth Preservation, Inc., Rochester, NY
2019-Present, CEO, President, Director
- Schaffer Accounting & Tax Services, Rochester, NY
1984-2010, Owner
- Gregory L. Schaffer Realty Company, Rochester, NY
1985-2013, Owner, NYS Licensed Real Estate Broker
- The Gregory L. Schaffer Insurance Agency, Inc., Rochester, NY
1993-Present, CEO, President, Director
NYS Licensed Life, Accident & Health Agent
NYS Licensed Variable Life/Annuity Agent
NYS Licensed Property & Casualty Broker & Agent
- Beacon of Light Mortgage Company, Rochester, NY
1998-2013, Owner
Registered Mortgage Broker-NYS Banking Department
- Schaffer Trust & Capital Management, Rochester, NY

Date: 03/29/2019

CRD #138463

SEC File Number 801-92168

1998-2005, Owner

- Schaffer Wealth Preservation & Capital Management, Rochester, NY
2007-2010, Owner
- Facilities Equipment Sales, Inc., Rochester, NY
1998-Present, CEO, President, Director
- The Schaffer Automotive Group, Rochester, NY
1990-2010, Owner, NYS Licensed Auto Dealer, Boat Dealer & Yacht Broker

Gregory L. Schaffer of SCHAFFER spends approximately 85% of their time in financial services capacities, with the balance of 15% spent on other business practices.

*** The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

**** The Registered Financial Consultant (RFC) is a professional designation awarded by the IARFC to those financial advisors who can meet the high standards of education, experience and integrity that are required of all its members.

D. (1,2) SCHAFFER has never been involved in an award or otherwise being found liable in an arbitration or in a civil claim.

E. SCHAFFER has no relationship or arrangement with any issuer of securities that is not listed in Item 10.C. of Part 2A.