

CLIENT RELATIONSHIP SUMMARY

Schaeffer Financial, LLC is an investment advisor registered with the United States Securities and Exchange Commission. Investment advisory and brokerage services and fees differ, and it is important for you to understand the differences. Free and simple tools are available for you to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisors and investing.

WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

We offer the following investment advisory services to you based on trust and confidence for the entire length and scope of our advisory relationship:

Financial Planning & Asset Management

- We begin by meeting with you to identify and gain a better understanding of your financial situation and investment goals. Based on what we learn, we work with you to develop a personalized plan of action and asset allocation strategy, taking into consideration your age, defined goals, time needed to achieve your goals, and risk tolerance.
- If you choose to move forward, we will help you implement your plan of action by providing ongoing financial advice, working closely with your other professional advisors (i.e., attorney, CPA, etc.), and constructing a diversified investment portfolio aligned with your financial strategy, primarily using a mix of mutual funds and exchange-traded funds (ETFs). We may also use a third-party portfolio manager (“Sub-advisor”) to manage all or a portion of your investment portfolio.
- We are not restricted to a limited menu of products or types of investments (i.e., proprietary products) and we do not require a minimum account size.
- Your investment portfolio will be managed on a discretionary basis, which means that securities will be purchased and sold on your behalf without your prior approval of each transaction. Discretionary authority is granted to us (or the third-party portfolio manager) when you complete our Investment Advisory Agreement. You may limit this discretionary authority at any time. You may, however, choose to have your account managed on a non-discretionary basis, which means that we cannot execute trades in your account without first obtaining your consent. Therefore, you make the ultimate decision regarding the purchase or sale of securities in your investment portfolio.
- As part of our standard service, your portfolio will be monitored on an ongoing basis and rebalanced when necessary.

You can find more detailed information about the services we offer in our Disclosure Brochure under Item 4, “Advisory Business.”

Questions You Should Ask

Given my financial situation, should I choose an investment advisory service? Why or why not?

How will you choose investments to recommend to me?

What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

WHAT FEES WILL I PAY?

Financial Planning:

- You will pay a one-time fixed fee for our initial financial planning session, which is due at the end of the session. If you choose to engage us for additional financial planning services, you will pay a fixed or hourly-based fee due upon completion of the service.
- The implementation of your financial strategy may cause you to incur other fees that are separate from the investment advisory fees we charge. These costs can include fees from companies you choose to provide insurance, legal, tax and other services and products.

Asset Management:

- You will pay an ongoing fee for our asset management services. Our tiered fee schedule is based on a percentage of the value of the assets in your investment portfolio. The annual fee rate you pay will reduce when your portfolio value, either through additional deposits or asset growth, moves into a different tier bracket of our fee schedule.
- Fees are assessed semi-annually in arrears and deducted directly from your investment portfolio.
- Regardless of the fee breaks we offer, the more assets in your investment portfolio, the more you will pay in fees. This presents a conflict of interest because it creates an incentive for us to encourage you to increase the amount of assets in your investment portfolio.
- Our fees may be waived or reduced at our discretion, or, if mutually agreed upon, set at an annual fixed amount payable semi-annually in arrears.
- If your investment portfolio is managed by a Sub-advisor, you will pay fees based on their fee schedule as disclosed in their Disclosure Brochure (Form ADV Part 2A), which we will provide prior to or at the time you establish your account with us. The Sub-advisor will deduct the management fee from your account and split a portion with us. This split will not result in you paying a higher fee than what is disclosed in the Sub-advisor’s Disclosure Brochure.

Questions You Should Ask

Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

- Separate from our investment advisory fees, other common costs associated with your investment portfolio typically include, but are not limited to, custodian fees, account maintenance fees, fees related to mutual funds and variable annuities, and other transactional fees. Such fees, if any, will vary depending on the type of account and investments you hold.
- You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

WHAT ARE YOUR LEGAL OBLIGATIONS TO ME WHEN ACTING AS MY INVESTMENT ADVISOR? HOW ELSE DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?

When we act as your investment advisor, 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. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means:

Questions You Should Ask

How might your conflicts of interest affect me, and how will you address them?

- Because we charge a fee based on the amount of assets we manage for you, this creates an incentive for us to encourage you to invest more assets in your portfolio.
- Because some of our financial professionals and staff members are registered representatives and insurance agents for unaffiliated companies, this creates an incentive for them to recommend products and services based on the commissions and fees they may earn.

You can find more detailed information about our potential conflicts of interest in our Disclosure Brochure under Item 10, “Other Financial Industry Activities & Affiliations”, Item 11, “Code of Ethics”, and Item 14, “Client Referrals & other Compensation.”

HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

Our financial professionals are compensated from the fees we earn from the investment advisory services we offer. This presents a conflict of interest because it creates an incentive for our financial professionals to encourage you to increase the amount of assets in your investment portfolio.

DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?

No.

Visit [Investor.gov/CRS](https://www.investor.gov/CRS) for a free, simple search tool to research our firm and financial professionals.

Questions You Should Ask

As a financial professional, do you have any disciplinary history? For what type of conduct?

ADDITIONAL INFORMATION

You can find additional information about our investment advisory services at www.schaefferfinancial.com. You can also contact us at the address and phone number listed below to request up-to-date information about our firm and request a copy of the Client Relationship Summary.

Schaeffer Financial
4612 Great Oak Rd
Rockville, MD 20853
301.933.5550

Questions You Should Ask

Who is my primary contact person? Is he or she a representative of an investment advisor or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?



Schaeffer Financial