



Clarus Wealth Advisors, LLC

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July 18, 2019 Part

2A Brochure

This brochure provides information about the qualifications and business practices of Clarus Wealth Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (623) 583-6840. 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. Clarus Wealth Advisors, LLC is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Additional information about Clarus Wealth Advisors, LLC is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Clarus Wealth Advisors, LLC. is 281160.

ITEM 2 – MATERIAL CHANGES

Summary of Material Changes

This section of the Brochure will address only those “material changes” that have been incorporated since our last delivery or posting of this document on the SEC’s public disclosure website (IAPD) www.adviserinfo.sec.gov.

The following are material changes since our last filing dated February 5, 2018:

Item 5: Fees and Compensation

The fees for accounts are based on an annual percentage of assets under management. The monthly initial fee will be based upon the average daily balance from the date the assets are in the account through the end of the month in arrears. Thereafter, the fee is charged monthly in arrears based on the average daily balance from the previous month.

The Section titled Sub-Advisory Management Fees has been deleted. Clarus Wealth Advisors no longer maintains a sub-advisory relationship as outlined in that section and the section is no longer valid.

If you would like another copy of this Brochure, please download it from the SEC Website as indicated above or you may contact our Chief Compliance Officer (“CCO”) Michael Sherman at 623-583-6840 or contact msherman@claruswealthadvisors.com.

We encourage you to read this document in its entirety.

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ITEM 4 - ADVISORY BUSINESS

This Disclosure document is being offered to you by Clarus Wealth Advisors, LLC. (“Clarus Wealth Advisors” or the “Firm”) in connection with the investment advisory services we provide. It discloses information about the services we provide and the manner in which those services are made available to you, the client.

Clarus Wealth Advisors is an independent, fee-only investment advisory firm providing portfolio management to clients. The firm was established by Joshua Cooper and Bert Cooper in 2015. Clarus Wealth Advisors is owned by Clarus Wealth Advisors, LLC. Clarus Wealth Advisors became a registered investment adviser in 2015.

We are committed to helping clients build, manage, and preserve their wealth, and to provide assistance to clients to help achieve their stated financial goals. We may offer an initial complimentary meeting upon our discretion; however, investment advisory services are initiated only after you and Clarus Wealth Advisors execute an engagement letter or client agreement.

Investment Management and Supervision Services

We offer discretionary investment management and investment supervisory services for a fee based on a percentage of your assets under management. These services include investment analysis, allocation of investments, quarterly portfolio statements and ongoing monitoring services for the portfolio. We primarily allocate client assets among various mutual funds, exchange-traded funds (“ETFs”), and individual debt (bonds) and equity securities in accordance with their stated investment objectives.

We determine your portfolio composition based on your needs, portfolio restrictions, if any, financial goals and risk tolerances. We will work with you to obtain necessary information regarding your financial condition, investment objectives, liquidity requirements, risk tolerance, time horizons, and any restrictions on investing. This enables us to determine the portfolio best suited for your investment objective and needs.

In performing our services, we shall not be required to verify any information received from you or from other professionals. If you request, we may recommend and/or engage the services of other professionals for implementation purposes. You are under no obligation to engage the services of any such recommended professional.

Once we have determined the types of investments to be included in your portfolio, and allocated them, we will provide ongoing portfolio review and management services. This approach requires us to review your portfolio at least quarterly.

We will rebalance the portfolio, as we deem appropriate, to meet your financial objectives. We will trade these portfolios and rebalance them based on the combination of our market views and your objectives, using our investment process. We tailor our advisory services

to meet the needs of our clients and seek to ensure that your portfolio is managed in a manner consistent with those needs and objectives. You will have the ability to leave standing instructions with us to refrain from investing in particular industries or invest in limited amounts of securities.

In all cases, you have a direct and beneficial interest in your securities, rather than an undivided interest in a pool of securities. We do not and will not have custody of your funds or securities. We do have limited authority to direct the Custodian to deduct investment advisory fees, but only with the appropriate authorization from you.

You are advised and are expected to understand that our past performance is not a guarantee of future results. Certain market and economic risks exist that may adversely affect an account's performance. This could result in capital losses in your account.

Where appropriate, we provide advice about any type of legacy position held in client portfolios. Typically, these are assets that are ineligible to be custodied at our primary custodian. Clients will engage us to advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance, annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). If these accounts can be held at a custodian and no advisory fee is charged to the account, the account will pay custodial charges.

Financial Planning

Through the Financial Planning process, the Clarus Wealth Advisors team strives to engage our clients in conversations around the family's goals, objectives, priorities, vision, and legacy – both for the near term as well as for future generations. With the unique goals and circumstances of each family in mind, the Clarus Wealth Advisors team will offer wealth planning ideas and strategies to address the client's holistic financial picture, including estate, income tax, charitable, cash flow, wealth transfer and family legacy objectives. Clarus Wealth Advisors does not provide tax or legal advice. We will work with your independent tax/legal advisor (CPA, Estate Attorney, Insurance broker, etc.) to help create a plan tailored to your specific needs. Such services include various reports on specific goals and objectives or general investment and/or planning recommendations, guidance to outside assets and periodic updates.

Our specific services in preparing your plan include:

- Review and clarification of your financial goals.
- Assessment of your overall financial position including cash flow, balance sheet, investment strategy, risk management and estate planning.
- Creation of a unique plan for each goal you have, including personal and business real estate, education, retirement or financial independence, charitable giving, estate planning, business succession and other personal goals.
- Development of a goal-oriented investment plan, with input from various advisors to our clients around tax suggestions, asset allocation, expenses, risk and liquidity

factors for each goal. This includes IRA and qualified plans, taxable and trust accounts that require special attention.

- Design of a risk management plan including risk tolerance, risk avoidance, mitigation and transfer, including liquidity as well as various insurance and possible company benefits.
- Crafting and implementation of, in conjunction with your estate and/or corporate attorneys as tax advisor, an estate plan to provide for you and/or your heirs in the event of an incapacity or death.

A written evaluation of each client's initial situation or Financial Plan is provided to the client. An annual review will be provided by the Adviser, if indicated by the Client and Adviser per the Financial Planning Agreement. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

Retirement Plan Consulting Services

Retirement Plan Consulting consists of assisting employer plan participants to establish, monitor and review investment options as it relates to the participant and participant education.

All retirement planning services shall be in compliance with any applicable State law(s) regulating the services provided by our Agreement. This section applies to an account that is a pension or other employee benefit plan (a "Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If the account is part of a Plan and Clarus Wealth Advisors accepts appointments to provide our services to your participants, we acknowledge that we are a fiduciary within the meaning of Section 3(21) of ERISA. The Plan shall represent that (i) Our appointment and services are consistent with the Plan documents, (ii) The Plan has furnished us true and complete copies of all documents establishing and governing the Plan and evidencing its authority to retain our firm.

Consulting Services

We also provide clients investment advice on a more limited basis on one or more isolated areas of concern such as estate planning, real estate, retirement planning, or any other specific topic. Additionally, we may provide advice on non-securities matters in connection with the rendering of estate planning, insurance, real estate, and/or annuity advice. Client will also be required to select their own investment managers, broker-dealer and/or insurance companies for the implementation of consulting recommendations. If Client needs brokerage and/or other financial services, Consultant may recommend the use of one of several investment managers, brokers, banks, custodians, insurance companies or other financial professionals ("Firms"). Then Client must independently evaluate these Firms before opening an account or transacting business and has the right to effect business through any firm they choose.

Co-Branded Investment Advisor Representatives

Our firm offers services through our network of investment advisor representatives ("Advisor Representatives" or "IARs"). IARs may have their own legal business entities whose trade names and logos are used for marketing purposes and may appear on marketing materials or client statements. The Client should understand that the

businesses are legal entities of the IAR and not of our firm Clarus Wealth Advisors. The IARs are under the supervision of our firm Clarus Wealth Advisors, and the advisory services of the IAR are provided through our firm Clarus Wealth Advisors.

Wrap Fee Programs

We do not place client assets into a wrap fee program.

Assets

As of December 31, 2018, we have \$167,620,241.74 in assets under discretionary management and \$19,091,696.39 in non-discretionary assets under advisement.

ITEM 5 - FEES AND COMPENSATION

Investment Management Fees and Compensation

Clarus Wealth Advisors charges a fee as compensation for providing Investment Management services on your account. These services include advisory and consulting services, trade entry, investment supervision, and other account maintenance activities. The custodian may charge custodial fees, transaction costs, redemption fees, retirement plan and administrative fees or commissions. See Additional Fees and Expenses below.

In addition, some mutual fund assets deposited in the account may have been subject to a deferred sales charges and 12 (b) (1) fees and other mutual fund annual expenses as described in the fund's prospectus. Furthermore, some existing variable annuities may be subject to trailing service fees, deferred sales charges, and mortality and expense fees. These fees are independent of our fees and should be disclosed by the custodian or contained in each fund's prospectus. You should also note that fees for comparable services vary and lower fees for comparable services may be available from other sources.

The fees for accounts are based on an annual percentage of assets under management. The monthly initial fee will be based upon the average daily balance from the date the assets are in the account through the end of the month in arrears. Thereafter, the fee is charged monthly in arrears based on the average daily balance from the previous month.

Our investment advisory fees shall not exceed 2.00%. The specific advisory fees are set forth in your Investment Advisory Agreement. Fees may vary based on the size of the account, complexity of the portfolio, extent of activity in the account or other reasons agreed upon by us and you as the client. In certain circumstances, our fees and the timing of the fees may be negotiated. Negotiated lesser fees are based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities.

Unless otherwise instructed by the Client, we will aggregate related client accounts for the purposes of determining the account size and annualized fee. The common practice is often referred to as "house-holding" portfolios for fee purposes and may result in lower fees than if fees were calculated on portfolios separately. Our method of house-holding accounts for fee purposes looks at the overall family dynamic and relationship. When

applicable and noted in Appendix A of the Investment Management Agreement, legacy positions will also be excluded from the fee calculation.

Clients generally provide Clarus Wealth Advisors and/or certain independent managers with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to Clarus Wealth Advisors. Alternatively, clients may elect to have Clarus Wealth Advisors send a separate invoice for direct payment. You are encouraged to review your account statements for accuracy. We will receive a duplicate copy of the custodian's statement that was delivered to you.

Either Clarus Wealth Advisors or you may terminate the management agreement, upon immediate written notice to the other party. The management fee will be prorated to the date of termination, for the month or quarter in which the cancellation notice was given and many unearned fees will be refunded to you. Upon termination, you are responsible for monitoring the securities in your account, and we will have no further obligation to act or advise with respect to those assets.

Consulting Services

The fee for general consulting services is a fixed fee. Under a fixed fee arrangement, any fee will be agreed upon in advance of services being performed. The fee will be determined based on factors of the consulting project and fully detailed in our agreement. The fee is payable upon signing the agreement. We will complete work within six months of the date your fee is paid, in cases where you pay in advance. If the work is not completed in such a time, we will refund your fee on a pro-rated basis. The fixed fee typically ranges between \$250 and \$50,000. We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

You may terminate the consulting service agreement by providing us with written notice. Upon termination, fees will be prorated to the date of termination and any unearned portion of the fee will be refunded to you based on an hourly rate of \$250.00.

Client may request subsequent, additional, special reviews, or requests for consulting services. These additional services may be subject to an additional charge. Additional services will be based on an agreed fixed fee. Fees are disclosed in the Consulting Agreement, Exhibit B.

Administrative Services Provided by Orion Advisors Services (Orion)

We have contracted with Orion to utilize its technology platforms to support data reconciliation, performance reporting, fee calculation and billing, research, client database maintenance, quarterly performance evaluations, payable reports, web site administration, models, trading platforms, and other functions related to the administrative tasks of managing client accounts. Due to this arrangement, Orion will have access to client accounts, but Orion will not serve as an investment advisor to our clients. Clarus Wealth Advisors and Orion are non-affiliated companies. Orion charges our firm an annual fee for each account administered by Orion. The annual fee is paid from the portion of the management fee retained by us.

Additional Fees and Expenses:

In addition to the advisory fees paid to Clarus Wealth Advisors, clients may also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively “Financial Institutions”). These additional charges may include transaction fees, custodial fees, fees charged by the Independent Managers, margin costs, charges imposed directly by a mutual fund or ETF in a client’s account, as disclosed in the fund’s prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Our brokerage practices are described at length in Item 12,

below. Neither our Firm nor its supervised persons accept compensation for the sale of securities or other investment products. Further, our firm does not share in any of these additional fees and expenses outlined above.

ITEM 6 - PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

We do not charge advisory fees on a share of the capital appreciation of the funds or securities in a client account (so-called performance-based fees). Our advisory fee compensation is charged only as disclosed above in Fees and Compensation.

ITEM 7 - TYPES OF CLIENTS

We provide advisory services to individuals, high net worth individuals, estates, family trusts, and corporate investment plans.

We have a minimum requirement of \$50,000 of investable assets to open an account with Clarus Wealth Advisors. We may, in our sole discretion, accept clients with smaller portfolios based upon certain criteria, including anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, and pro bono activities. Clarus Wealth Advisors only accepts clients with less than the minimum portfolio size if the Firm determines the smaller portfolio size will not cause a substantial increase of investment risk beyond the client's identified risk tolerance. We may aggregate the portfolios of family members to meet the minimum portfolio size.

Certain independent managers may, however, impose more restrictive account requirements and billing practices from our practices. In these instances, we may alter our corresponding account requirements and/or billing practices to accommodate those of the independent managers.

ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Investment Strategies & Philosophy

Clarus Wealth Advisors/CWA strives to provide its clients with a diverse lineup of managed portfolios to suit varying risk profiles and return goals. Our managers utilize numerous investment methodologies to create portfolios with varying exposures to multiple asset classes, regions, cap-sizes, factors, and styles. The overarching investment philosophy of the firm is to maximize portfolio value given a target amount of risk. Our time horizon is generally long-term, as we believe 3-5 years is the minimum time-frame to appropriately evaluate manager performance. We utilize numerous research providers to gather and analyze market and individual security data, including but not limited to: Morningstar, Dimensional Fund Advisors, Ned Davis Research, and Seeking Alpha. The firm has constructed its portfolio lineup to incorporate the following investment styles: Strategic asset allocation, tactical, equity, and blended portfolios.

CWA's strategic asset allocation methodologies follow the basic principles of Modern Portfolio Theory ("MPT"), efficiently maximizing return given a certain amount of risk, but also incorporate elements of active management to differentiate and provide value. Our managers dictate allocation exposures to varying asset classes, regions, cap-sizes, factors,

and styles to produce these portfolios, and these allocations can change at the manager's discretion at any time. While the primary philosophy of our strategic asset allocation portfolios aligns with the spirit of "MPT," our managers will incorporate additional techniques to provide clients value, including but not limited to: sector rotation, risk management, graduated exposure, and portfolio tilting. Some portfolios will also utilize mutual fund selection to add value, including a suite of portfolios that solely use Dimensional Fund Advisors ("DFA") mutual funds.

CWA's tactical portfolios aim to provide clients appropriate asset allocation exposures to suit the perceived risk of the current market environment. The market environment is determined using a blend of proprietary third-party research and custom-built portfolios. Client assets are then positioned according to that market environment and the risk profile of the portfolio, providing a risk-managed approach to investing.

CWA's equity portfolios comprise of varying methodologies, including the influence of weather on economies and individuals, dividend-paying large cap value, and market leadership. The equity portfolios hold multiple stocks and/or ETFs to achieve a diverse blend of holdings within their target methodology. Our managers retain discretion over the fund selection and allocation percentages for each position, though they utilize third-party research to do their due diligence on the fundamental and technical makeup of the securities before incorporating them into the portfolios.

CWA's blended models are multi-strategy, multi-methodology portfolios that exist to provide ample diversification for an individual client. Utilizing a blended model approach may help reduce portfolio volatility over long-term time frames. We believe that different investment methodologies thrive in different market environments, and by blending various styles together, we can provide clients with a smoother investment experience.

The CWA Investment Committee ("IC") meets regularly to evaluate CWA portfolio allocations. The IC will also discuss current market conditions, macro-economic trends, model performance, asset class performance, and individual security performance, to ensure the committee understands varying opinions and analysis on the market and is providing clients with appropriate solutions.

Methods of Analysis of Individual Securities and Associated Risks

CWA does its due diligence on every investment, whether it is a mutual fund, ETF, stock, or bond, by reviewing a variety of factors. The firm's managers consider the following factors when evaluating whether a security is appropriate for inclusion into model portfolios: risk, exposure type, cap-size, region, expected relative return, underlying securities, correlation to existing positions, manager tenure and track record, expense, and yield, among others. As a firm, we select funds and managers with a favorable set of these factors and incorporate the funds based on the risk level of the portfolio and other factors described in the "Methods of Analysis" section above.

Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that certain data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information. Additionally, CWA has no control over the underlying investments in a mutual fund and/or ETF. Managers of different funds held by the client may purchase the same security, thus increasing the risk to the client if that security were to fall in value. Managers may also

deviate from the stated investment mandate or strategy of the mutual fund and/or ETF, a circumstance that could make the holding(s) less suitable for the client's portfolio. Finally, past performance is not an indication of future results. While we do our best to select funds and managers that pass our criteria, past success does not ensure future success.

To best protect our clients from undue risk, regardless of individual client risk profile, Clarus Wealth Advisors strictly prohibits model portfolio investment in the following: Leveraged ETFs or mutual funds, Cannabis stocks, Crypto-Currency stocks, securities without daily liquidity, private equity, and VIX-oriented securities.

Third Party Manager Analysis

We seek to recommend investment strategies that will give a client a diversified portfolio consistent with the client's investment objective. We do this by analyzing the various securities, investment strategies, and third-party management firms. The goal is to identify a client's risk tolerance, and then find a manager with the maximum expected return for that level of risk.

We examine the experience, expertise, investment philosophies and past performance of independent third-party managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the managers' underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the managers' compliance and business enterprise risks.

A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a managers' portfolio, there is also a risk that the manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the managers' daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Clarus may hold clients illiquid, privately-issued securities of issuers. We do not recommend or sale these investments. Clients may hold these assets in their custodial account for convenience purposes. These assets are unmanaged and unbilled.

Risks

Clients must understand that past performance is not indicative of future results. Therefore, current and prospective clients should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, we are unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future

results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines.

You should be aware that your account is subject to the following risks:

- Stock Market Risk – The value of securities in the portfolio will fluctuate and, as a result, the value may decline suddenly or over a sustained period of time.
- Managed Portfolio Risk – The manager's investment strategies or choice of specific securities may be unsuccessful and may cause the portfolio to incur losses.
- Industry Risk – The portfolio's investments could be concentrated within one industry or group of industries. Any factors detrimental to the performance of such industries will disproportionately impact your portfolio. Investments focused in a particular industry are subject to greater risk and are more greatly impacted by market volatility than less concentrated investments.
- Non-U.S. Securities Risk – Non-U.S. securities are subject to the risks of foreign currency fluctuations, generally higher volatility and lower liquidity than U.S. securities, less developed securities markets and economic systems and political and economic instability.
- Emerging Markets Risk – To the extent that your portfolio invests in issuers located in emerging markets, the risk may be heightened by political changes and changes in taxation or currency controls that could adversely affect the values of these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.
- Currency Risk – The value of your portfolio's investments may fall as a result of changes in exchange rates.
- Interest Rate Risk - The value of fixed income securities rises or falls based on the underlying interest rate environment. If rates rise, the value of most fixed income securities could go down.
- Credit Risk - Most fixed income instruments are dependent on the underlying credit of the issuer. If we are wrong about the underlying financial strength of an issuer, we may purchase securities where the issuer is unable to meet its obligations. If this happens, your portfolio could sustain an unrealized or realized loss.
- Inflation Risk - Most fixed income instruments will sustain losses if inflation increases or the market anticipates increases in inflation. If we enter a period of moderate or heavy inflation, the value of your fixed income securities could go down.
- ETF and Mutual Fund Risk – When we invest in an ETF or mutual fund for a client, the client will bear additional expenses based on its pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients may also incur brokerage costs when purchasing ETFs.
- Management Risk – Your investment with us varies with the success and failure of our investment strategies, research, analysis, and determination of portfolio.
- Independent Managers - We may select certain Independent Managers to manage

a portion of its clients' assets. In these situations, we continue to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, we generally may not have the ability to supervise the Independent Managers on a day-to-day basis.

- Options Risk - Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- Illiquid Risk- To the extent non-liquid investments such as limited partnerships, limited liability companies or non-traded real estate investment trusts (REITs) are held in client accounts, it is Clarus' Policy not to supervise or bill on non-illiquid investments.

ITEM 9 - DISCIPLINARY INFORMATION

Clarus Wealth Advisors does not have any legal, financial or other "disciplinary" item to report.

ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Licensed Insurance Agents

A number of the Firm's Supervised Persons are licensed insurance agents and may offer certain insurance products on a fully-disclosed commissionable basis. A conflict of interest exists to the extent that Supervised Persons recommend the purchase of insurance products where the Supervised Persons may be entitled to insurance commissions or other additional compensation. The Firm does not directly share in any compensation earned by the Supervised Persons in this capacity. Supervised Persons will share in the commission earned for the sale of fixed insurance products. However, clients should note that they are under no obligation to purchase any insurance products through Clarus Wealth Advisors.

Broker/Dealer

Certain IARs of Clarus Wealth Advisors are registered representatives of Crown Capital Securities LP ("Crown Capital") a securities broker-dealer, and will be compensated for effecting securities transactions or providing advisory services. A portion of the time of Clarus Wealth Advisors and these IARs is spent in connection with broker/dealer activities.

As a broker-dealer, Crown Capital engages in a broad range of activities normally associated with securities brokerage firms. Pursuant to the investment advice given by Clarus Wealth Advisors or its IARs, investments in securities may be recommended for clients. If Crown Capital is selected as the broker-dealer, Crown Capital and its registered representatives, including IARs of Clarus Wealth Advisors, may receive commissions for executing securities transactions. When IARs of Clarus Wealth Advisors receive commissions in connection with the advice given to advisory clients, Clarus Wealth Advisors may reduce a portion of its fees by the amount of the commissions earned by Clarus Wealth Advisors' IARs.

You are advised that if Crown Capital is selected as the broker-dealer, the transaction charges may be higher or lower than the charges you may pay if the transactions were executed at other broker/dealers. You should note, however, that you are under no obligation to purchase securities through IARs of Clarus Wealth Advisors or Crown Capital.

Clarus Wealth Advisors may provide advice regarding investment company securities. You should be aware that, in addition to the advisory fees you pay in connection with any Clarus Wealth Advisors program, each investment company also pays its own separate investment advisory fees and other expenses. Such fees and expenses are disclosed in the mutual fund's prospectus. In addition, clients should be aware that mutual funds may be purchased separately, independent of the investment management services of Clarus Wealth Advisors .

Moreover, you should note that under the rules and regulations of FINRA, Crown Capital has an obligation to maintain certain client records and perform other functions regarding certain aspects of the investment advisory activities of its registered representatives. These obligations require Crown Capital to coordinate with, and have the cooperation of its registered representatives that operate as, or are otherwise associated with, investment advisers other than Crown Capital.

Certain IARs of Clarus Wealth Advisors may, in their capacity as registered representatives of Crown Capital, or as agents appointed with various life, disability or other insurance companies, receive commissions, 12(b)-1 fees, trails, or other compensation from the respective product sponsors and/or as a result of effecting securities transactions for clients. As previously noted, when commissions or fees are received by Clarus Wealth Advisors or these IARs in connection with the advice given to advisory clients, Clarus Wealth Advisors may, but is not obligated to, reduce its fee proportionate to the amount of the commission or fee earned by Clarus Wealth Advisors or these IARs. However, clients should note that they are under no obligation to purchase any investment products through Clarus Wealth Advisors or its IARs.

Clients should be aware that the ability to receive additional compensation by Clarus Wealth Advisors and its management persons or IARs creates conflicts of interest that impair the objectivity of the Firm and these individuals when making advisory recommendations. Clarus Wealth Advisors endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps, among others to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential for the Firm and our IARs to earn compensation from advisory clients in addition to the Firm's advisory fees;
- we disclose to clients that they have the right to decide to purchase recommend investment products from our employees or Related Companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;

- the Firm conducts regular reviews of each client advisory account to verify that all recommendations made to a client are in the best interest of the client's needs and circumstances;
- we require that our IARs seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by the Firm; and
- we educate our IARs regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

ITEM 11 - CODE OF ETHICS PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Clarus Wealth Advisors and persons associated with us are allowed to invest for their own accounts or have a financial interest in the same securities or other investments that we recommend or acquire for your account, and may engage in transactions that are the same as or different than transactions recommended to or made for your account. This creates a conflict of interest. We recognize the fiduciary responsibility to place your interests first and have established policies in this regard to avoid any potential conflicts of interest.

We have developed and implemented a Code of Ethics that sets forth standards of conduct expected of our advisory personnel to mitigate this conflict of interest. The Code of Ethics addresses, among other things, personal trading, gifts, the prohibition against the use of inside information and other situations where there is a possibility for conflicts of interest.

The Code of Ethics is designed to protect our clients by deterring misconduct, educate personnel regarding the firm's expectations and laws governing their conduct, remind personnel that they are in a position of trust and must act with complete propriety at all times, protect the reputation of Clarus Wealth Advisors, guard against violation of the securities laws, and establish procedures for personnel to follow so that we may determine whether their personnel are complying with the firm's ethical principles.

We have established the following restrictions in order to ensure our firm's fiduciary responsibilities:

1. A director, officer or employee of Clarus Wealth Advisors shall not buy or sell any 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 director, officer or employee of Clarus Wealth Advisors shall prefer his or her own interest to that of the advisory client.
2. We maintain a list of all securities holdings for itself, and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by an appropriate officer/individual of Clarus Wealth Advisors.

3. We emphasize the unrestricted right of the client to decline to implement any advice rendered, except in situations where we are granted discretionary authority of the client's account.
4. We require 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 termination.

Investment Policy

None of our associated persons may affect for himself/herself or for accounts in which he/she holds a beneficial interest, any transactions in a security which is being actively recommended to any of our clients, unless in accordance with the Firm's procedures.

You may request a complete copy of our Code by contacting us at the address, telephone or email on the cover page of this Part 2; attn: Chief Compliance Officer.

ITEM 12 - BROKERAGE PRACTICES

We participate in the TD Ameritrade Institutional program. TD Ameritrade Institutional, a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer. TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance and settlement of transactions.

There is no direct link between our participation in the program and the investment advice we give to our clients, although we receive economic benefits through our participation in the program that are typically not available to any other independent Investment Advisors participating in the program. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors. TD

Ameritrade may also have paid for business consulting and professional services received by some of our related persons. Some of the products and services made available by TD Ameritrade through the program may benefit us but may not benefit your account. These products or services may assist us in managing and administering your account, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by Clarus or our personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duties to clients, we endeavor at all times to put the interests of our clients first. You should be aware, however, that the receipt of economic benefits by Clarus or

our related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

In the event you request us to recommend a broker/dealer custodian for execution and/or custodial services, we generally recommend your account to be maintained at TD Ameritrade. We may recommend that you establish accounts with TD Ameritrade to maintain custody of your assets and to effect trades for your accounts. You are under no obligation to act upon any recommendations, and if you elect to act upon any recommendations, you are under no obligation to place the transactions through any broker/dealer we recommend. Our recommendation is generally based on the broker's cost and fees, skills, reputation, dependability and compatibility with the client. You may be able to obtain lower commissions and fees from other brokers and the value of products, research and services given to us is not a factor in determining the selection of broker/dealer or the reasonableness of their commissions.

Brokerage for Client Referrals

Our Firm does not receive client referrals from any custodian or third party in exchange for using that broker-dealer or third party.

Aggregation and Allocation of Transactions

We may aggregate transactions if we believe that aggregation is consistent with the duty to seek best execution for our clients and is consistent with the disclosures made to clients and terms defined in the client investment advisory agreement. No advisory client will be favored over any other client, and each account that participates in an aggregated order will participate at the average share price (per custodian) for all transactions in that security on a given business day.

If we do not receive a complete fill for an aggregated order, we will allocate the order on a pro-rata basis. If we determine that a pro-rata allocation is not appropriate under the particular circumstances, we will base the allocation on other relevant factors, which may include:

1. When only a small percentage of the order is executed, with respect to purchase allocations, allocations may be given to accounts high in cash;
2. With respect to sale allocations, allocations may be given to accounts low in cash;

3. We may allocate shares to the account with the smallest order, or to the smallest position, or to an account that is out of line with respect to security or sector weightings, relative to other portfolios with similar mandates;
4. We may allocate to one account when that account has limitations in its investment guidelines prohibiting it from purchasing other securities that we expect to produce similar investment results and that can be purchased by other accounts in the block;
5. If an account reaches an investment guideline limit and cannot participate in an allocation, we may reallocate shares to other accounts. For example, this may be due to unforeseen changes in an account's assets after an order is placed;
6. If a pro-rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, we may exclude the account(s) from the allocation.
7. We will document the reasons for any deviation from a pro-rata allocation.

Trade Errors

We have implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with our fiduciary duty, it is our policy to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole and we will absorb any loss resulting from the trade error if the error was caused by the firm. If the error is caused by the broker-dealer, the broker-dealer will be responsible for covering all trade error costs. If an investment gains results from the correcting trade, the gain will be donated to charity. We will never benefit or profit from trade errors.

Directed Brokerage

We do not routinely recommend, request or require that you direct us to execute transaction through a specified broker dealer. Additionally, we typically do not permit you to direct brokerage. We place trades for your account subject to our duty to seek best execution and other fiduciary duties.

ITEM 13 - REVIEW OF ACCOUNTS

Account Reviews and Reviewers – Investment Supervisory Services

The underlying securities within the investment supervisory services are monitored at least quarterly. These reviews will be made by our investment adviser representatives. Client meetings are typically held no less than once a year and are usually conducted in person or by telephone.

The purpose of all these reviews is to ensure that the investment plan continues to be implemented in a manner which matches your objectives and risk tolerances. More frequent reviews may be triggered by material changes in variables such as your individual circumstances, or the market, political or economic environment. You are urged to notify us of any changes in your personal circumstances.

Statements and Reports

Clarus Wealth Advisors, through the custodian, will have the ability to provide clients with Performance/Position summary reports upon request. Reports may also be provided at every client meeting. Communication to clients will be done on an as needed basis with a minimum of 1 contact per calendar quarter.

The Custodian will provide quarterly statements of the assets in our Account, the purchase date, the cost and the current market value for the period (or since the opening of the Account). The quarterly fee will be reflected on the periodic account statement provided by the Custodian. The Custodian will make available to you a statement no less than quarterly showing all amounts paid from the Account including all management fees paid by Custodian to Clarus Wealth Advisors. In case of an error in such reports, you shall notify Clarus Wealth Advisors promptly, and Clarus Wealth Advisors will use good faith efforts to make corrections to such reports in a timely manner. Additionally, Clarus Wealth Advisors will send the Client a notice of amount invoiced and billed as part of its quarterly reporting. You are urged to compare the reports provided by Clarus Wealth Advisors against the account statements you receive directly from your account custodian.

ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION

As disclosed under Brokerage Practices, we participate in TD Ameritrade's institutional customer program and we may recommend TD Ameritrade to you for custody and brokerage services. There is no direct link between our participation in the program and the investment advice we give to our clients, although we receive economic benefits through our participation in the program that are typically not available to any other independent Investment Advisors participating in the program. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by some of our related persons. Some of the products and services made available by TD Ameritrade through the program may benefit us but may not benefit your account. These products or services may assist us in managing and administering your account, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by Clarus Wealth Advisors or our personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duties to clients, we endeavor at all times to put the interests of our clients first. You should be aware, however, that the receipt of economic benefits by Clarus Wealth Advisors or our related persons in and of itself

creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

From time to time, we may receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as advertising, publishing and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made.

Clarus Wealth Advisors does receive referral fees from other Registered Investment Advisors. In the event a client is introduced by a Clarus Wealth Advisors' IAR, the Firm/IAR may receive a referral fee in accordance with the Advisers Act. Unless otherwise disclosed, any such referral fee is paid solely to Clarus Wealth Advisors' IAR and does not result in any additional charge to the client. The Solicitor is required to provide the client with written brochure(s) and a copy of a solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement.

Clarus Wealth Advisors **does not** pay out any fees for receiving client referrals.

ITEM 15 - CUSTODY

We do not have physical custody, as it applies to investment advisors. Custody has been defined by regulators as having access or control over client funds and/or securities.

For all accounts, our firm has the authority to have fees deducted directly from client accounts. Our firm has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. You should carefully review those statements and are urged to compare the statements against reports received from Clarus Wealth Advisors. When you have questions about your account statements, you should contact Clarus Wealth Advisors or the qualified custodian preparing the statement.

Please refer to Item 5 for more information about the deduction of advisor fees.

ITEM 16 - INVESTMENT DISCRETION

Prior to engaging Clarus Wealth Advisors to provide investment advisory services, clients enter into a written Agreement with Clarus Wealth Advisors granting the firm the authority to supervise and direct, on an on-going basis, investments- in accordance with the client's

investment objective and guidelines. Clients will also execute any and all documents required by the Custodian so as to authorize and enable Clarus Wealth Advisors, in its sole discretion, without prior consultation with or ratification by you, to purchase, sell or exchange securities in and for your account. We are authorized, in our discretion and without prior consultation with you to: (1) buy, sell, exchange and trade any investment company registered under the Investment Company Act of 1940 and (2) determine the amount of securities to be bought or sold and (3) place orders with the custodian. Any limitations to such authority will be communicated by you to us in writing.

The limitations on investment and brokerage discretion held by Clarus Wealth Advisors for you are:

1. For discretionary clients, we require that it be provided with authority to determine which securities and the amounts of securities to be bought or sold.
2. Any limitations on this discretionary authority shall be included in the investment management agreement. You may change/amend these limitations as required. Such amendments shall be submitted in writing.

Research products and services received by us from custodians will be used to provide services to all our clients.

In some instance, we may not have discretion. We will discuss all transactions with you prior to execution or you will be required to make the trades if in an employer sponsored account.

ITEM 17 - VOTING YOUR SECURITIES

We will not vote proxies under our limited discretionary authority. You are welcome to vote proxies or designate an independent third-party at your own discretion. You designate proxy voting authority in the custodial account documents. You must ensure that proxy materials are sent directly to you or your assigned third party. We do not take action with respect to any securities or other investments that become the subject of any legal proceedings, including bankruptcies. Clients can contact our office with questions about a particular solicitation by phone at 623-583-6840.

ITEM 18 - FINANCIAL INFORMATION

This item is not applicable to this brochure. We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, we have not been the subject of a bankruptcy petition at any time.