

Item 1 – Cover Page

Clarity Financial Planners, LLC

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November 8, 2016

This Brochure provides information about the qualifications and business practices of Clarity Financial Planners, LLC. If you have any questions about the contents of this Brochure, please contact us at 314-548-2260. 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.

Clarity Financial Planners, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Clarity Financial Planners, LLC also 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 Clarity Financial Planners, LLC is 277114.

Item 2 – Material Changes

This Item of the Brochure discusses only specific material changes that are made to the Brochure since the last annual update and provides clients with a summary of such changes. The last annual update of our Brochure was March 25, 2016.

Our current Brochure includes the following material changes:

- Item 1 has been updated to reflect the firm's change in address effective November 1, 2016.
- Item 4 has been updated to reflect the firm's change in ownership effective November 1, 2016.
- Items 4, 10 and 13 have been updated to remove references to William Jay Bender following his departure from Clarity Financial Planners, LLC as of November 1, 2016.
- Item 5 has been updated to reflect a new fee schedule.
- Item 12 and Item 14 have been updated with the indication that we work with Charles Schwab & Company, Inc., for client custodial services.
- Clarity Financial Planners, LLC is registered with the SEC and is not required to provide a response to Item 19 of the Brochure. The Item has been removed.

Additionally, we have updated the Assets Under Management information of Item 4 as of November 4, 2016. Please note that this information has not been updated in the Form ADV Part 1 at this time. The Form ADV Part 1 will be updated in the future.

(Date of Brochure: 11/08/2016)

(Date of Most Recent Annual Updating Amendment: 03/25/2016)

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Clarity Financial Planners, LLC's Chief Compliance Officer at 314-548-2260. Additional information about Clarity Financial Planners, LLC is also available via the SEC's web site www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with Clarity Financial Planners, LLC who are registered, or are required to be registered, as investment adviser representatives of Clarity Financial Planners, LLC.

Item 3 -Table of Contents

Item 1 – Cover Page	i
Item 2 – Material Changes.....	ii
Item 3 -Table of Contents	iii
Item 4 – Advisory Business	1
Item 5 – Fees and Compensation	4
Item 6 – Performance-Based Fees and Side-By-Side Management	8
Item 7 – Types of Clients	8
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	8
Item 9 – Disciplinary Information	11
Item 10 – Other Financial Industry Activities and Affiliations	11
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	11
Item 12 – Brokerage Practices	13
Item 13 – Review of Accounts	14
Item 14 – Client Referrals and Other Compensation	15
Item 15 – Custody.....	16
Item 16 – Investment Discretion.....	16
Item 17 – Voting Client Securities	17
Item 18 – Financial Information.....	17
Privacy Notice	18

Item 4 – Advisory Business

Clarity Financial Planners, LLC is owned by Shannon Faye Moenkhaus (as of November 1, 2016) and has been providing advisory services since July 2015. As of November 4, 2016 Clarity Financial Planners, LLC managed \$21,461,725 on a discretionary basis.

The following paragraphs describe our services and fees. Refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we," "our," and "us" refer to Clarity Financial Planners LLC and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm.

Portfolio Management Services

Clarity Financial Planners, LLC manages investment portfolios for individuals to include high net worth individuals, trusts and businesses. Clarity Financial Planners, LLC will work with a client to determine the client's investment objectives and investor risk profile and will design a written investment policy statement.

Clarity Financial Planners, LLC uses investment and portfolio allocation software to evaluate alternative portfolio designs. Clarity Financial Planners, LLC evaluates the client's existing investments with respect to the client's investment policy statement. We work with new clients to develop a plan to transition from the client's existing portfolio to the portfolio recommended by us. We will then continuously monitor the client's portfolio holdings and the overall asset allocation strategy and hold review meetings with the client regarding the account as necessary.

Clarity Financial Planners, LLC will typically create a portfolio of no-load mutual funds, and may use model portfolios if the models match the client's investment policy. We will allocate the client's assets among various investments taking into consideration the overall management style selected by the client. Clarity Financial Planners, LLC primarily recommends portfolios consisting of passively managed asset class and index mutual funds. Clarity Financial Planners, LLC primarily recommends mutual funds offered by Dimensional Fund Advisors (DFA) and Vanguard. These sponsored mutual funds follow a passive asset class investment philosophy with low holdings turnover. Client portfolios may also include some individual equity securities in situations where disposition of these securities would present an overriding tax implication or the client specifically requests they be retained for a personal reason. These situations will be specifically identified in the client's Investment Policy Statement (IPS).

Clarity Financial Planners, LLC manages mutual fund and equity portfolios on a discretionary and non-discretionary basis according to the investment policy selected by the client. A client may impose any reasonable restrictions on Clarity Financial Planners, LLC's discretionary authority, including restrictions on the types of securities in which Clarity Financial Planners, LLC may invest client's assets and on specific securities, which the client may believe to be appropriate.

Clarity Financial Planners, LLC may also recommend fixed income portfolios to investment management clients, which consist of managed accounts of individual bonds. Clarity Financial Planners, LLC will request discretionary authority from investment management clients to manage fixed income portfolios, including the discretion to retain a third party fixed income manager. We will prepare a Fixed Income Investment Policy Statement for any client qualifying for separate fixed income portfolio services. Pursuant to its discretionary authority, Clarity Financial Planners, LLC will retain a fixed income securities manager. For client portfolios managed on a non-discretionary basis, client should be aware that the authority for Clarity Financial Planners, LLC to retain a fixed income manager is provided in the signed advisory agreement and is provided on a discretionary basis.

The fixed income securities manager will be provided with the discretionary authority to invest client assets in fixed income securities consistent with the client's Fixed Income Investment Policy Statement. The fixed income manager will also monitor the account for changes in credit ratings, security call provisions, and tax loss harvesting opportunities (to the extent that the manager is provided with cost basis information). The fixed income manager will obtain Clarity Financial Planners, LLC's consent prior to the sale of any client securities.

On an ongoing basis, Clarity Financial Planners, LLC will answer clients' inquiries regarding their accounts and review periodically with clients the performance of their accounts. Clarity Financial Planners, LLC will periodically, and at least annually, review clients' investment policy, risk profile and discuss the re-balancing of each client's accounts to the extent appropriate. Clarity Financial Planners, LLC will provide to investment manager any updated client financial information or account restrictions necessary for investment manager to provide sub-advisory services.

In addition to managing the client's investment portfolio, Clarity Financial Planners, LLC may consult with clients on various financial areas including income and estate tax planning, business sale structures, college financial planning, retirement planning, insurance analysis, personal cash flow analysis, establishment and design of retirement plans and trust designs, among other things. At our discretion, a complimentary written

financial plan may be delivered to clients. The plan will be designed to help clients achieve their stated financial goals and objectives.

As part of Clarity Financial Planners, LLC's portfolio management services, one or more sub-advisers may be used to manage all or a portion of client accounts on a discretionary basis. The sub-adviser(s) may use one or more of their model portfolios to manage client accounts. Clarity Financial Planners, LLC will regularly monitor the performance of your accounts managed by sub-adviser(s), and may hire and fire any sub-adviser without client prior approval.

Clarity Financial Planners, LLC does not participate in or sponsor any wrap fee programs.

Pension Consulting Services

Clarity Financial Planners, LLC offers pension consulting services to employee benefit plans and their fiduciaries based upon the needs of the plan and the services requested by the plan sponsor or named fiduciary. In general, these services may include an existing plan review and analysis, plan-level advice regarding fund selection and investment options, education services to plan participants, investment performance monitoring, and/or ongoing consulting. The ultimate decision to act on behalf of the plan shall remain with the plan sponsor or other named fiduciary.

Clarity Financial Planners, LLC may also assist with participant enrollment meetings and provide investment-related educational seminars to plan participants on such topics as:

- Diversification
- Asset allocation
- Risk tolerance
- Time horizon

The educational seminars may include other investment-related topics specific to the particular plan documents. Additional types of pension consulting services may also be provided to plans on an individually negotiated basis such as asset allocation services. The advice and/or recommendations rendered by our firm will be based on information received from clients, which may include client's investment objectives, projected retirement age, account balance, and risk tolerance, among others. Given the information received from clients we will recommend a model portfolio. The model portfolio consists of a combination of investments available to, and appropriate for clients in achieving your investment goals and objectives. All services, whether discussed above or customized for

the plan based upon requirements from the plan fiduciaries (which may include additional plan-level or participant-level services) shall be detailed in a written agreement and be consistent with the parameters set forth in the plan.

Item 5 – Fees and Compensation

Portfolio Management Services

Our fee for portfolio management services is based on a percentage of your assets we manage and is set forth in the following fee schedule:

The annual fee for plan services will be charged as a percentage of assets within the plan.

<u>Assets Under Management</u>	<u>Annual Fee</u>
First \$1,000,000	1.00%
Next \$1,000,000	0.80%
Next \$1,000,000	0.50%
Next \$1,000,000	0.35%
Next \$6,000,000	0.25%
Over \$10,000,000	Negotiable

In 2016 and prior years Clarity Financial Planners, LLC followed a separate fee schedule, which remains in effect with clients who signed agreements with us during such period and who have not agreed to an amended advisory fee schedule.

The annual portfolio management fee is billed and payable quarterly in advance based on the value of the client's account on the last day of the previous quarter. If the portfolio management agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. Our advisory fee is negotiable, depending on individual client circumstances. We require a minimum fee of \$1,500 to open and maintain an advisory account.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above.

We may pay a portion of our advisory fee to the sub-adviser(s) we use; however, clients will not pay our firm a higher advisory fee as a result of any sub-advisory relationships. We will send you an invoice for the payment of our advisory fee, or we will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when you have given our firm written authorization permitting the fees to be paid directly from your account. Further, the qualified custodian will deliver an account statement to clients at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy.

Clients may terminate the portfolio management agreement upon 30-days' written notice to our firm. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

Pension Consulting Services

Because pension consulting services can encompass such a wide variety of services (as detailed more fully in Item 4 above), our advisory fees for these customized services will be negotiated with the plan sponsor or named fiduciary on a case-by-case basis. Our fees are based on a percentage of the assets in the Plan and our compensation arrangements for these services are comparable to the fees specified under *Portfolio Management Services* above.

For our asset allocation modeling and investment recommendations to participants in qualified plans, our fees are based on a percentage of the assets in the Plan and our compensation arrangements for these services are comparable to the fees specified under *Portfolio Management Services* above.

Either party to the pension consulting agreement may terminate the agreement upon 30-days' written notice to the other party. The pension consulting fees will be prorated for the quarter in which the termination notice is given and any unearned fees will be refunded to the client.

Additional Fees and Expenses

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, refer to the *Brokerage Practices* section of this brochure.

IRA Rollover Considerations

As part of our investment advisory services to you, we may recommend that you withdraw the assets from your employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that we will manage on your behalf. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset based fee as set forth in the agreement you executed with our firm. This practice presents a conflict of interest because persons providing investment advice on our behalf have an incentive to recommend a rollover to you for the purpose of generating fee based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of:

An employee will typically have four options:

1. Leaving the funds in your employer's (former employer's) plan.
2. Moving the funds to a new employer's retirement plan.

3. Cashing out and taking a taxable distribution from the plan.
4. Rolling the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney.

If you are considering rolling over your retirement funds to an IRA for us to manage here are a few points to consider before you do so:

1. Determine whether the investment options in your employer's retirement plan address your needs or whether you might want to consider other types of investments.
 - a. Employer retirement plans generally have a more limited investment menu than IRAs.
 - b. Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. Your current plan may have lower fees than our fees.
 - a. If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
 - b. You should understand the various products and services you might take advantage of at an IRA provider and the potential costs of those products and services.
3. Our strategy may have higher risk than the option(s) provided to you in your plan.
4. Your current plan may also offer financial advice.
5. If you keep your assets titled in a 401k or retirement account, you could potentially delay your required minimum distribution beyond age 70.5.
6. Your 401k may offer more liability protection than a rollover IRA; each state may vary.
 - a. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult with an attorney if you are concerned about protecting your retirement plan assets from creditors.
7. You may be able to take out a loan on your 401k, but not from an IRA.
8. IRA assets can be accessed at any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty

unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.

9. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.
10. Your plan may allow you to hire us as the manager and keep the assets titled in the plan name.

It is important that you understand the differences between these types of accounts and to decide whether a rollover is best for you. Prior to proceeding, if you have questions contact your investment adviser representative, or call our main number as listed on the cover page of this brochure.

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

Clarity Financial Planners, LLC does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). All fees are calculated as described above and are not charged on the basis of income or capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

Item 7 – Types of Clients

Clarity Financial Planners, LLC offers investment advisory services to individuals, trusts, charitable organizations, and businesses.

In general, we require a minimum fee of \$1,500 to open and maintain an advisory account; however, we have the right to terminate your Account if it falls below a minimum size which, in our sole opinion, is too small to manage effectively.

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

Our Methods of Analysis and Investment Strategies

Clarity Financial Planners, LLC may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

Modern Portfolio Theory - a theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully diversifying the proportions of various assets.

Risk: Market risk is that part of a security's risk that is common to all securities of the same general class (stocks and bonds) and thus cannot be eliminated by diversification.

Long-Term Purchases - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

Risk: Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost "locking-up" assets that may be better utilized in the short-term in other investments.

We may use short-term purchases, short-term trading, margin transactions, option writing, and/or short sales as investment strategies when managing your account(s). None of these strategies are a fundamental part of our overall investment strategy, but we may use one or more occasionally when we determine that they are suitable given your stated investment objectives and tolerance for risk.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial information, liquidity needs and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio. **It is important that you notify us immediately with respect to any material changes to your financial circumstances, including for example, a change in your current or expected income level, tax circumstances, or employment status.**

We will not perform quantitative or qualitative analysis of individual securities. Instead, we will advise you on how to allocate your assets among various classes of securities or third party money managers. We primarily rely on investment model portfolios and strategies developed by the third party money managers and their portfolio managers. We may replace/recommend replacing a third party money manager if there is a significant deviation in characteristics or performance from the stated strategy and/or benchmark.

Tax Considerations

Our strategies and investments may have unique and significant tax implications. Tax efficiency is a primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investing of your assets.

Moreover, custodians and broker-dealers must report the cost basis of equities acquired in client accounts on or after January 1, 2011. We will provide instructions to your custodian allowing us to choose "optimal tax method" for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Recommendation of Particular Types of Securities

We primarily recommend mutual funds or no load institutional mutual funds. However, we may advise on other types of investments as appropriate for you since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with the investment.

Mutual Funds and Exchange Traded Funds: Mutual funds and exchange traded funds ("ETF") are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager

that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. ETFs differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely whereas "closed end" funds have a fixed number of shares to sell which can limit their availability to new investors.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Clarity Financial Planners, LLC or the integrity of Clarity Financial Planners, LLC's management. Clarity Financial Planners, LLC has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

The sole owner of Clarity Financial Planners, LLC, Shannon Faye Moenkhaus is not registered, and does not have a pending application to register as a broker-dealer, registered representative of a broker-dealer, futures commission merchant, commodity pool operator, or commodity trading advisor. Additionally, Ms. Moenkhaus is not an associated person of the foregoing entities.

Clarity Financial Planners, LLC and Ms. Moenkhaus do not have relationships or arrangements that would be material to the advisory business or our clients.

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

Clarity Financial Planners, LLC has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients.

The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Clarity Financial Planners, LLC must acknowledge the terms of the Code of Ethics annually, or as amended.

Clarity Financial Planners, LLC or individuals associated with Clarity Financial Planners, LLC 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(ies) which may also be recommended to a client. It is the expressed policy of Clarity Financial Planners, LLC that no person employed by Clarity Financial Planners, LLC will take inappropriate advantage of their positions, and the interests of client accounts will be placed first at all times.

Clarity Financial Planners, LLC anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Clarity Financial Planners, LLC has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Clarity Financial Planners, LLC, its affiliates and/or clients, directly or indirectly, have a position of interest. Clarity Financial Planners, LLC's employees and persons associated with Clarity Financial Planners, LLC are required to follow Clarity Financial Planners, LLC's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Clarity Financial Planners, LLC and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Clarity Financial Planners, LLC's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Clarity Financial Planners, LLC will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code, certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Clarity Financial Planners, LLC's clients. In addition, the Code requires pre-clearance of certain transactions. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Clarity Financial Planners, LLC and its clients.

Clarity Financial Planners, LLC will provide a complete copy of its Code of Ethics to any client or prospective upon request.

It is Clarity Financial Planners, LLC's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Clarity Financial Planners, LLC will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an advisor, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated private fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment advisor in relation to a transaction in which the investment advisor, or any person controlled by or under common control with the investment advisor, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an advisor is dually registered as a broker-dealer or has an affiliated broker-dealer.

Item 12 – Brokerage Practices

Clarity Financial Planners, LLC recommends the brokerage and custodial services of Charles Schwab & Company, Inc., The recommended Custodian is a securities broker-dealer and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. We believe that the recommended Custodian provides quality execution services for you at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by the Custodian, including the value of the Custodian's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of the services the Custodian provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

Research and Other Soft Dollar Benefits

We do not have any soft dollar arrangements.

Economic Benefits

As a registered investment adviser, Clarity Financial Planners, LLC has access to the institutional platform of your account custodian. As such, we will also have access to research products and services from your account custodian and/or other brokerage firm.

These products may include financial publications, information about particular companies and industries, research software, and other products or services that provide lawful and appropriate assistance to our firm in the performance of our investment decision making responsibilities. Such research products and services are provided to all investment advisers that utilize the institutional services platforms of these firms, and are not considered to be paid for with soft dollars. However, you should be aware that the commissions charged by a particular broker for a particular transaction or set of transactions may be greater than the amounts another broker who did not provide research services or products might charge.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Directed Brokerage

Clarity Financial Planners, LLC routinely requires that clients direct our firm to execute transactions through Charles Schwab & Company, Inc. As such, we may be unable to achieve the most favorable execution of your transactions and you may pay higher brokerage commissions than you might otherwise pay through another broker-dealer that offers the same types of services. Not all advisers require their clients to direct brokerage.

Block Trades

We do not combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading") because we invest solely in mutual funds which do not trade in blocks.

Item 13 – Review of Accounts

Reviews

Account assets are supervised continuously and formally reviewed at least quarterly by Shannon Faye Moenkhaus, Managing Member and Chief Compliance Officer. The review process contains each of the following elements:

- a. assessing client goals and objectives;
- b. evaluating the employed strategy(ies);
- c. monitoring the portfolio(s); and
- d. addressing the need to rebalance.

Additional account reviews may be triggered by any of the following events:

- a. a specific client request;
- b. realizing tax losses;
- c. updating of client goals and objectives;
- d. changes in risk/return objectives;
- e. contributions and withdrawals; and
- f. market/economic conditions.

For fixed income portfolios, certain account review responsibilities are delegated to a third party investment manager as described above in Item 4.

Retirement plan assets are reviewed no more than quarterly, and according to the standards and situations described above for investment management accounts.

Reports

Portfolio Management Services

All clients will receive quarterly performance reports. . The reports will summarize the client's account, asset allocation, portfolio performance, current positions, and current market value. Clients will also receive trade confirmations and monthly or quarterly statements from account custodian(s).

Pension Consulting Services

Plan sponsors are provided with quarterly information and annual performance reviews from Clarity Financial Planners, LLC. In addition, plan participant education information may also be provided to the Plan Sponsor or Administrator for distribution to the participants of the plan.

Item 14 – Client Referrals and Other Compensation

Refer to the *Brokerage Practices* section (Item 12) above for disclosures on research and other benefits we may receive resulting from discount brokers in connection with utilizing their brokerage services.

Beyond the disclosures provided in this Brochure, Clarity Financial Planners, LLC does not receive any compensation from any third party in connection with providing investment advice to clients.

Clarity Financial Planners, LLC does not engage in any referral arrangements.

Item 15 – Custody

As paying agent for Clarity Financial Planners, LLC, your independent custodian will directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from client accounts causes our firm to exercise limited custody over your funds or securities. Clarity Financial Planners, LLC does not have physical custody of any client funds and/or securities. Client funds and securities will be held with a bank, broker-dealer, or other qualified custodian. You will receive account statements from the qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. Clients should carefully review account statements for accuracy.

Clarity Financial Planners, LLC will also provide invoices to you reflecting the amount of the advisory fee deducted from your account. You should compare Clarity Financial Planners, LLC's invoice with the statement(s) from your account custodian(s) to reconcile the information reflected on each statement. If you have a question regarding your invoice, or if you did not receive a statement from your custodian, contact us immediately at the telephone number on the cover page of this brochure.

Item 16 – Investment Discretion

Clarity Financial Planners, LLC requests that it be provided with written authority to determine which securities and the amounts of securities that are bought or sold. For fixed income securities, this authority will include the discretion to retain a third party money manager for fixed income accounts. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing.

When selecting securities and determining amounts, Clarity Financial Planners, LLC observes the investment policies, limitations and restrictions of the clients for which it

advises. Investment guidelines and restrictions must be provided to Clarity Financial Planners, LLC in writing.

Item 17 – Voting Client Securities

Proxy Voting: As a matter of firm policy and practice, Clarity Financial Planners, LLC does not accept the authority to and does not vote proxies on behalf of advisory client. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Clients will receive applicable proxies directly from the issuer of securities held in clients' investment portfolios. Clarity Financial Planners, LLC, however, may provide advice to clients regarding the clients' voting of proxies.

Class Actions, Bankruptcies and Other Legal Proceedings: Clients should note that Clarity Financial Planners, LLC will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held or previously were held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct Clarity Financial Planners, LLC to transmit copies of class action notices to the client or a third party. Upon such direction, Clarity Financial Planners, LLC will make commercially reasonable efforts to forward such notices in a timely manner.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Clarity Financial Planners, LLC's financial condition. Clarity Financial Planners, LLC has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Privacy Notice

Clarity Financial Planners, LLC is committed to client confidentiality and the protection of your privacy. The following information is provided, as required by law, to help you understand our privacy policy and how we will handle and maintain confidential personal information as we fulfill our obligations to protect your privacy. "Personal information" refers to the nonpublic financial information obtained by Clarity Financial Planners, LLC in connection with carrying out our services.

Information We Collect

Clarity Financial Planners, LLC collects personal information as part of our relationship to you, to provide client services and fulfill legal and regulatory requirements. The type of information Clarity Financial Planners, LLC collects may include:

- σ Information Clarity Financial Planners, LLC receives from you on forms (such as name, address, Social Security number, profile documents, assets and income);
- σ Information you provide Clarity Financial Planners, LLC directly about your personal finances or personal circumstances or which Clarity Financial Planners, LLC may receive from brokerage statements or other information you authorize Clarity Financial Planners, LLC to receive.

Information Disclosed In Administering Products and Services

Clarity Financial Planners, LLC will not disclose personal information about current or former clients to non-affiliated third parties except as permitted or required by law. Clarity Financial Planners, LLC does not sell any personal information about you to any third party. Clarity Financial Planners, LLC will not disclose personal information without your authorization, except as required or permitted by law.

Procedures to Protect Confidentiality and Security of Your Personal Information

Clarity Financial Planners, LLC has procedures in place that limit access to personal information to those employees who need to know such information in order to perform business services. In addition, Clarity Financial Planners, LLC maintains physical, electronic and procedural safeguards to guard your nonpublic personal information.

Clarity Financial Planners, LLC will update its policy and procedures when necessary to ensure that your privacy is maintained and that Clarity Financial Planners, LLC conducts business in a way that fulfills our commitment to you. If Clarity Financial Planners, LLC makes any material changes in its privacy policy, we will make that information available to clients through our Web site and/or other communications.