

**FORM ADV PART 2A
DISCLOSURE BROCHURE**



CLARITY FINANCIAL
WEALTH MANAGEMENT

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This brochure provides information about the qualifications and business practices of Jarvis M. Reeves III DBA Clarity Financial. Being registered as a registered investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at 800-783-4951. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Additional information about Clarity Financial (CRD #307264) is available on the SEC's website at www.adviserinfo.sec.gov

FEBRUARY 3, 2022

Item 2: Material Changes

Annual Update

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

Material Changes since the Last Update

- This update is in accordance with the annual filing requirements for Registered Investment Advisors. Since the last update of this brochure on July 14, 2020 the following changes have occurred: Item 14 has been updated to include economic benefits provided to the advisory firm from external sources.
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Full Brochure Available

This Firm Brochure being delivered is the complete brochure for the Firm.

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Item 4: Advisory Business

Firm Description

Jarvis M. Reeves III DBA Clarity Financial ("Clarity Financial") is established as a Sole Proprietorship and became a Registered Investment Advisor in 2020.

Under CCR Section 260.238(k), Clarity Financial, its representatives or any of its employees will disclose to the Client all material conflicts of interest.

Types of Advisory Services

FINANCIAL PLANNING

If financial planning services are applicable, a comprehensive evaluation of an investor's current and future financial state will be provided by using currently known variables to predict future cash flows, asset values and withdrawal plans. Clarity Financial will use current net worth, tax liabilities, asset allocation, and future retirement and estate plans in developing financial plans.

Typical topics reviewed in a financial plan may include but are not limited to:

- **Financial goals:** Based on an individual's or a family's clearly defined financial goals, including funding a college education for the children, buying a larger home, starting a business, retiring on time or leaving a legacy. Financial goals should be quantified and set to milestones for tracking.
- **Personal net worth statement:** A snapshot of assets and liabilities serves as a benchmark for measuring progress towards financial goals.
- **Cash flow analysis:** An income and spending plan determines how much can be set aside for debt repayment, savings and investing each month.
- **Retirement strategy:** A strategy for achieving retirement independent of other financial priorities. Including a strategy for accumulating the required retirement capital and its planned lifetime distribution.
- **Comprehensive risk management plan:** Identify all risk exposures and provide the necessary coverage to protect the family and its assets against financial loss. The risk management plan includes a full review of life and disability insurance, personal liability coverage, property and casualty coverage, and catastrophic coverage.
- **Long-term investment plan:** Include a customized asset allocation strategy based on specific investment objectives and a risk profile. This investment plan sets guidelines for selecting, buying and selling investments and establishing benchmarks for performance review.
- **Tax reduction strategy:** Identify ways to minimize taxes on personal income to the extent permissible by the tax code. The strategy should include identification of tax-favored investment vehicles that can reduce taxation of investment income.
- **Estate preservation:** Help update accounts, review beneficiaries for retirement accounts and life insurance, provide a second look at your current estate planning documents, and prompt you to update your plan when the legal environment changes or you have major life events such as a marriage, death, or births.

If a conflict of interest exists between the interests of Clarity Financial and the interests of the Client, the Client is under no obligation to act upon Clarity Financial's recommendation. If the Client elects to act on any of the recommendations, the Client is under no obligation to effect the transaction through Clarity Financial. Financial plans will be completed and delivered inside of thirty (30) days contingent upon timely delivery of all required documentation. Under CCR Section 260.235.2, it requires that the conflict of interest, which exists between the interests of the investment advisor and the interests of the Client when offering financial planning services, be disclosed.

THIRD PARTY MANAGERS

When deemed appropriate for the Client, Clarity Financial may recommend that Clients utilize the services of a Third Party Manager ("TPM") to manage a portion of, or your entire portfolio. All TPMs that Clarity Financial recommends must either be registered as investment advisers with the Securities and Exchange Commission or with the appropriate state authority(ies).

After gathering information about your financial situation and objectives, an investment advisor representative of our firm will make recommendations regarding the suitability of a TPM or investment style based on, but not limited to, your financial needs, investment goals, tolerance for risk, and investment objectives. Upon selection of a TPM, Clarity Financial will monitor the performance of the TPM to ensure their performance and investment style remains aligned with your investment goals and objectives.

In such circumstances, Clarity Financial receives solicitor fees from the TPM. We act as the liaison between the Client and the TPM in return for an ongoing portion of the advisory fees charged by the TPM. We help the Client complete the necessary paperwork of the TPM, and provide ongoing services to the Client. Ongoing services include but are not limited to:

1. Meet with the Client to discuss any changes in status, objectives, time horizon or suitability;
2. Update the TPM with any changes in Client status which is provided to Clarity Financial by the Client;
3. Review the statements provided by the TPM; and
4. Deliver the Form ADV Part 2, Privacy Notice and Solicitors Disclosure Statement of the TPM to the Client.

Clients placed with TPM will be billed in accordance with the TPM's Fee Schedule which will be disclosed to the Client prior to signing an agreement.

ERISA PLAN SERVICES

Clarity Financial provides service to qualified retirement plans including 401(k) plans, 403(b) plans, pension and profit-sharing plans, cash balance plans, and deferred compensation plans. Clarity Financial will act as a 3(21) advisor:

Limited Scope ERISA 3(21) Fiduciary. Clarity Financial may serve as a limited scope ERISA 3(21) fiduciary that can advise, help and assist plan sponsors with their investment decisions on a non-discretionary basis. As an investment advisor, Clarity Financial has a fiduciary duty to act in the best interest of the Client. The plan sponsor is still ultimately

responsible for the decisions made in their plan, though using Clarity Financial can help the plan sponsor delegate liability by following a diligent process.

1. Fiduciary Services are:

- Provide non-discretionary investment advice to the Client about asset classes and investment alternatives available for the Plan in accordance with the Plan's investment policies and objectives. Client will make the final decision regarding the initial selection, retention, removal and addition of investment options. Clarity Financial acknowledges that it is a fiduciary as defined in ERISA section 3 (21) (A) (ii).
- Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan. Client shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the IPS.
- Provide non-discretionary investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c) (5) and 404(a)-5.
- Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.
- Meet with Client on a periodic basis to discuss the reports and the investment recommendations.

2. Non-fiduciary Services are:

- Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands Clarity Financial's assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, Clarity Financial is not providing fiduciary advice as defined by ERISA 3(21)(A)(ii) to the Plan participants. Clarity Financial will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
- Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

Clarity Financial may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between Clarity Financial and Client.

3. Clarity Financial has no responsibility to provide services related to the following types of assets (“Excluded Assets”):

- Employer securities;
- Real estate (except for real estate funds or publicly traded REITs);
- Stock brokerage accounts or mutual fund windows;
- Participant loans;
- Non-publicly traded partnership interests;
- Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
- Other hard-to-value or illiquid securities or property.

Excluded Assets will **not** be included in calculation of fees paid to Clarity Financial on the ERISA Agreement. Specific services will be outlined in detail to each plan in the 408(b)2 disclosure.

Client Tailored Services and Client Imposed Restrictions

The goals and objectives for each Client are documented in our Client files. Investment strategies are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without written Client consent.

Wrap Fee Programs

Clarity Financial does not sponsor any wrap fee programs.

Client Assets under Management

Clarity Financial does not manage Client assets.

Item 5: Fees and Compensation

Method of Compensation and Fee Schedule

FINANCIAL PLANNING

Clarity Financial charges a negotiable fixed fee for financial planning. Prior to the planning process the Client will be provided an estimated plan fee. Services are completed and delivered inside of thirty (30) days. Client may cancel within five (5) business days of signing Agreement with no obligation and without penalty. If the Client cancels after five (5) business days, any unearned fees will be refunded to the Client, or any unpaid earned fees will be due to Clarity Financial. Clarity Financial reserves the right to waive the fee should the Client implement the plan through Clarity Financial.

FIXED FEES

Financial planning services are offered based on a flat fee between \$500 and \$2,500.

Fees for financial plans are billed 50% in advance with the balance due upon plan delivery.

THIRD PARTY MANAGERS

Clarity Financial has entered into a Solicitor Agreement with Gradient Investments, LLC (“GI”). GI is a Registered Investment Advisor registered with the Securities and Exchange Commission that provides investment portfolio advice and supervisory services.

GI offers an actively managed program of mutual fund and stock portfolios. The Clients fee for these services will be based on a percentage of assets under management as follows:

Fee Schedule for: Strategic & Tactical Portfolios			
Assets Valuation	Maximum Annual Advisory Fee	Gradient Investments	Clarity Financial Retention
Up to \$1,000,000	2.00%	1.00%	1.00%
\$1,000,001 - \$2,000,000	1.65%	.80%	.85%
\$2,000,001 - \$3,000,000	1.20%	.60%	.60%
Over \$3,000,000	.95%	.45%	.50%
Fee Schedule for: Allocation Portfolios			
Assets Valuation	Maximum Annual Advisory Fee	Gradient Investments	Clarity Financial Retention
Up to \$1,000,000	1.70%	.70%	1.00%
\$1,000,001 - \$2,000,000	1.35%	.60%	.75%
\$2,000,001 - \$3,000,000	1.00%	.50%	.50%
Over \$3,000,000	.80%	.40%	.40%
Fee Schedule For: Preservation Portfolios			
Assets Valuation	Maximum Annual Advisory Fee	Gradient Investments	Clarity Financial Retention
All Assets	1.00%	.40%	.60%
Fee Schedule for: Client Directed Accounts			
Assets Valuation	Maximum Annual Advisory Fee*	Gradient Investments	Clarity Financial Retention
All Values	.60%	.30%	.30%

*The minimum quarterly fee billed will be \$25

Pursuant to CCR Section 260.238(j), lower fees for comparable services may be available from other sources. Total fees to Client will never exceed the safe harbor threshold of 3% of assets under management per year. For Client Directed Accounts, GI will assist in the opening, closing and transferring of accounts. GI will provide institutional and 3rd party reports on securities held in the account and investment analysis via email or via phone when requested. GI will liquidate and purchase securities per the Client's request. GI will also provide administrative services per the Client's written request such as: ACH, check writing, RMD servicing. GI will provide consolidated household performance reporting on these accounts which are combined with any GI managed accounts.

The above fees are negotiable. Fees are assessed quarterly in arrears based on the amount of the assets managed as of the end of the previous quarter.

For example: The Quarterly Advisory Fee = (Quarter End Value x Annual Fee %) X (Days in Quarter/Days in Year) + \$15(administrative fee).

All management fees are withdrawn from the Client's account unless otherwise noted. GI will receive written authorization from the Client to deduct advisory fees from their

account held by a qualified custodian. GI will pay Clarity Financial their share of the fees. Clarity Financial does not have access to deduct Client fees. Clients may terminate their account within five (5) business days of signing the investment advisory agreement without penalty or obligation. After the initial 5 business days, the agreement may be terminated by GI with thirty (30) days written notice to Client and by the Client at any time with written notice to GI. For terminations after the initial five business days, GI will be entitled to a pro-rata fee for the days service was provided in the final quarter. GI will pay Clarity Financial their portion of the final fee. In addition, GI charges a \$15 service fee quarterly.

ERISA PLAN SERVICES

The annual fees are based on the market value of the Included Assets and will not exceed 1%. The annual fee is negotiable and may be charged as a percentage of the Included Assets or as a flat fee. Fees may be charged quarterly or monthly in arrears or in advance based on the assets as calculated by the custodian or record keeper of the Included Assets (without adjustments for anticipated withdrawals by Plan participants or other anticipated or scheduled transfers or distribution of assets). If the services to be provided start any time other than the first day of a quarter or month, the fee will be prorated based on the number of days remaining in the quarter or month. If this Agreement is terminated prior to the end of the billing cycle, Clarity Financial shall be entitled to a prorated fee based on the number of days during the fee period services were provided or Client will be due a prorated refund of fees for days services were not provided in the billing cycle.

The fee schedule, which includes compensation of Clarity Financial for the services is described in detail in Schedule A of the ERISA Plan Agreement. The Plan is obligated to pay the fees, however the Plan Sponsor may elect to pay the fees. Client may elect to be billed directly or have fees deducted from Plan Assets. Clarity Financial does not reasonably expect to receive any additional compensation, directly or indirectly, for its services under this Agreement. If additional compensation is received, Clarity Financial will disclose this compensation, the services rendered, and the payer of compensation. Clarity Financial will offset the compensation against the fees agreed upon under the Agreement.

Client Payment of Fees

Fees for financial plans are billed 50% in advance with the balance due upon plan delivery.

Clients pay the TPM's investment advisory fees. Prior to signing an investment advisory agreement, the method of payment will be disclosed in the TPM's Form ADV Part 2.

Fees for ERISA services will either be deducted from Plan assets or paid directly to Clarity.

Additional Client Fees Charged

Custodians may charge transaction fees on purchases or sales of certain mutual funds, equities, and exchange-traded funds. These charges may include mutual fund transactions fees, postage and handling and miscellaneous fees.

For more details on the brokerage practices, see Item 12 of this brochure.

Prepayment of Client Fees

Fees for financial plans are billed 50% in advance with the balance due upon plan delivery.

Fees for ERISA 3(21) services may be billed in advance.

If the Client cancels after five (5) business days, any unearned fees will be refunded to the Client, or any unpaid earned fees will be due to Clarity Financial.

External Compensation for the Sale of Securities to Clients

Investment Advisor Representatives of Clarity Financial receive external compensation sales of investment related products such as insurance as licensed insurance agents. From time to time, they will offer Clients services from those activities.

This represents a conflict of interest because it gives an incentive to recommend products based on the commission received. This conflict is mitigated by disclosures, procedures, and the firm's fiduciary obligation to place the best interest of the Client first and Clients are not required to purchase any products or services. Clients have the option to purchase these products through another insurance agent of their choosing.

Item 6: Performance-Based Fees and Side-by-Side Management

Sharing of Capital Gains

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

Clarity Financial does not use a performance-based fee structure because of the conflict of interest. Performance based compensation may create an incentive for Clarity Financial to recommend an investment that may carry a higher degree of risk to the Client.

Item 7: Types of Clients

Description

Clarity Financial generally provides investment advice to individuals, high net worth individuals, trusts, estates, or charitable organizations, corporations or business entities.

Client relationships vary in scope and length of service.

Account Minimums

Clarity Financial does not require a minimum to open an account, however TPMs utilized by Clarity Financial may have minimum asset requirements as disclosed in their Form ADV Part 2A.

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

Methods of Analysis

TPMs utilized by Clarity Financial may use various methods of analysis to determine the proper strategy for the Client referred and these will be disclosed in the TPM's Form ADV Part 2. Investing in securities involves risk of loss that Clients should be prepared to bear. Past performance is not a guarantee of future returns. Other strategies utilized by TPMs may include long-term purchases, short-term purchases, trading, and option writing (including covered options, uncovered options or spreading strategies).

In developing a financial plan for a Client, Clarity Financial's analysis may include cash flow analysis, investment planning, risk management, tax planning and estate planning. Based on the information gathered, a detailed strategy is tailored to the Client's specific situation.

The main sources of information used may include financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports, prospectuses, and filings with the Securities and Exchange Commission.

Investment Strategy

The investment strategy for a specific Client is based upon the objectives stated by the Client during consultations. The Client may change these objectives at any time. Each Client executes a Client profile form or similar form that documents their objectives and their desired investment strategy.

Security Specific Material Risks

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind.

The risks associated with utilizing TPMs include:

- Manager Risk
 - TPM fails to execute the stated investment strategy
- Business Risk
 - TPM has financial or regulatory problems
- The specific risks associated with the portfolios of the TPM's which is disclosed in the TPM's Form ADV Part 2.

Item 9: Disciplinary Information

Criminal or Civil Actions

Clarity Financial and its management have not been involved in any criminal or civil action.

Administrative Enforcement Proceedings

Clarity Financial and its management have not been involved in administrative enforcement proceedings.

Self-Regulatory Organization Enforcement Proceedings

Clarity Financial and its management have not been involved in legal or disciplinary events that are material to a Client's or prospective Client's evaluation of Clarity Financial or the integrity of its management.

Item 10: Other Financial Industry Activities and Affiliations

Broker-Dealer or Representative Registration

No affiliated representatives of Clarity Financial are registered representatives of a broker-dealer.

Futures or Commodity Registration

Neither Clarity Financial nor its affiliated representatives are registered or have an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.

Material Relationships Maintained by this Advisory Business and Conflicts of Interest

Jarvis M. Reeves III is also a licensed insurance agent with Taylor & Associates Insurance and an investment advisor representative with Significant Wealth Partners Inc. Approximately 25% of Mr. Reeves's time is spent, respectively, in these practices. He will offer Clients services from those activities.

These practices represent conflicts of interest because it gives an incentive to recommend products based on the commission amount received. This conflict is mitigated disclosures, procedures and the firm's fiduciary obligation to place the best interest of the Client first and the Clients are not required to purchase any products. Clients have the option to purchase these products through another insurance agent of their choosing.

Recommendations or Selections of Other Investment Advisors and Conflicts of Interest

Clients placed with TPMs will be billed in accordance with the TPM's fee schedule which will be disclosed to the Client prior to signing an agreement. When referring Clients to a TPM, the Client's best interest will be the main determining factor of Clarity Financial. Clarity Financial ensures that before selecting other advisors for Client that the other advisors are properly licensed or registered as an investment advisor.

These practices represent conflicts of interest because Clarity Financial is paid a solicitor fee for recommending the TPMs and may choose to recommend a particular TPM based on the fee Clarity Financial is to receive. This conflict is mitigated by disclosures, procedures and the firm's fiduciary obligation to act in the best interest of his Clients. Clients are not required to accept any recommendation of TPMs given by Clarity Financial and have the option to receive investment advice through other money managers of their choosing.

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

Code of Ethics Description

The affiliated persons (affiliated persons include employees and/or independent contractors) of Clarity Financial have committed to a Code of Ethics ("Code"). The purpose of our Code is to set forth standards of conduct expected of Clarity Financial affiliated persons and addresses conflicts that may arise. The Code defines acceptable behavior for affiliated persons of Clarity Financial. The Code reflects Clarity Financial and its supervised persons' responsibility to act in the best interest of their Client.

One area which the Code addresses is when affiliated persons buy or sell securities for their personal accounts and how to mitigate any conflict of interest with our Clients. We do not allow any affiliated persons to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our Clients.

Clarity Financial's policy prohibits any person from acting upon or otherwise misusing non-public or inside information. No advisory representative or other employee, officer or director of Clarity Financial may recommend any transaction in a security or its derivative to advisory Clients or engage in personal securities transactions for a security or its derivatives if the advisory representative possesses material, non-public information regarding the security.

Clarity Financial's Code is based on the guiding principle that the interests of the Client are our top priority. Clarity Financial's officers, directors, advisors, and other affiliated persons have a fiduciary duty to our Clients and must diligently perform that duty to maintain the complete trust and confidence of our Clients. When a conflict arises, it is our obligation to put the Client's interests over the interests of either affiliated persons or the company.

The Code applies to "access" persons. "Access" persons are affiliated persons who have access to non-public information regarding any Clients' purchase or sale of securities, or non-public information regarding the portfolio holdings of any reportable fund, who are involved in making securities recommendations to Clients, or who have access to such recommendations that are non-public.

Clarity Financial will provide a copy of the Code of Ethics to any Client or prospective Client upon request.

Investment Recommendations Involving a Material Financial Interest and Conflict of Interest

Clarity Financial and its affiliated persons do not recommend to Clients securities in which we have a material financial interest.

Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

Clarity Financial and its affiliated persons may buy or sell securities that are also held by Clients. In order to mitigate conflicts of interest such as trading ahead of Client transactions, affiliated persons are required to disclose all reportable securities transactions as well as provide Clarity Financial with copies of their brokerage statements.

The Chief Compliance Officer of Clarity Financial is Jarvis M. Reeves III. He reviews all trades of the affiliated persons each quarter. The personal trading reviews ensure that the personal trading of affiliated persons does not affect the markets and that Clients of the firm receive preferential treatment over affiliated persons' transactions.

Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest

Clarity Financial does not maintain a firm proprietary trading account and does not have a material financial interest in any securities being recommended and therefore no conflicts of interest exist. However, affiliated persons may buy or sell securities at the same time they buy or sell securities for Clients. In order to mitigate conflicts of interest such as front running, affiliated persons are required to disclose all reportable securities transactions as well as provide Clarity Financial with copies of their brokerage statements.

The Chief Compliance Officer of Clarity Financial is Jarvis M. Reeves III. He reviews all trades of the affiliated persons each quarter. The personal trading reviews ensure that the personal trading of affiliated persons does not affect the markets and that Clients of the firm receive preferential treatment over associated persons' transactions.

Item 12: Brokerage Practices

Factors Used to Select Broker-Dealers for Client Transactions

Clarity Financial does not manage money, therefore Clarity Financial does not recommend the use of a particular broker-dealer.

- *Directed Brokerage*
Clarity Financial utilizes TPM's and therefore it does not take direction from Clients as to what broker-dealer to use.
 - *Best Execution*
Investment advisors who manage or supervise Client portfolios have a fiduciary obligation of best execution. Clarity Financial does not manage Client accounts.
 - *Soft Dollar Arrangements*
Clarity Financial does not receive soft dollar benefits.
-

Aggregating Securities Transactions for Client Accounts

Clarity Financial does not trade for its or its Clients' accounts and therefore aggregation of securities transactions is not applicable.

Item 13: Review of Accounts

Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory

Persons Involved

Accounts managed by TPMs are reviewed on a quarterly basis by the CCO of Clarity Financial, Jarvis M. Reeves III. Account reviews are performed more frequently when market conditions dictate.

Financial plans generated are updated as requested by the Client and pursuant to a new or amended agreement, Clarity Financial suggests updating at least annually.

Review of Client Accounts on Non-Periodic Basis

Other conditions that may trigger a review of Clients' accounts are changes in the tax laws, new investment information, and changes in a Client's own situation.

Content of Client Provided Reports and Frequency

Clients receive written account statements no less than quarterly for managed accounts. Account statements are issued by the TPM's custodian. Client receives confirmations of each transaction in account from Custodian and an additional statement during any month in which a transaction occurs.

Item 14: Client Referrals and Other Compensation

Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest

Clarity Financial receives a portion of the annual management fees collected by the TPM(s) to whom Clarity Financial refers Clients.

This situation creates a conflict of interest because Clarity Financial and/or its Investment Advisor Representative have an incentive to decide what TPMs to use because of the higher

solicitor fees to be received by Clarity Financial. However, when referring Clients to a TPM, the Client's best interest will be the main determining factor of Clarity Financial.

Clarity Financial's investment advisor representatives may receive certain benefits from Gradient Investments, LLC (and/or its affiliated companies) based on achieving certain production thresholds. These thresholds are not based on the sale of any specific product or specific product type. These incentives include marketing assistance, access to technology, office support, and business trainings and trips. While some of these benefit the client, such as technology and training, some do not. This creates a conflict of interest because it gives an incentive to the representative to meet this threshold. This conflict is mitigated by disclosures, procedures and the firm's fiduciary obligation to place the best interest of the Client first and the Clients are not required to purchase any products. Clients have the option to purchase these products through another insurance agent of their choosing.

Advisory Firm Payments for Client Referrals

Clarity Financial does not compensate for Client referrals.

Item 15: Custody

Account Statements

All assets are held at qualified custodians, which means the custodians provide account statements directly to Clients at their address of record at least quarterly. Clients are urged to compare the account statements received directly from their custodians to any documentation or reports prepared by TPM.

Item 16: Investment Discretion

Discretionary Authority for Trading

Clarity Financial does not manage securities accounts on behalf of Clients.

Item 17: Voting Client Securities

Proxy Votes

Clarity Financial does not vote proxies on securities. Clients are expected to vote their own proxies. The Client will receive their proxies directly from the custodian of their account or from a transfer agent.

When assistance on voting proxies is requested, Clarity Financial will provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client.

Item 18: Financial Information

Balance Sheet

A balance sheet is not required to be provided because Clarity Financial does not serve as a custodian for Client funds or securities and Clarity Financial does not require prepayment of fees of more than \$500 per Client and six months or more in advance.

Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients

Clarity Financial has no condition that is reasonably likely to impair our ability to meet contractual commitments to our Clients.

Bankruptcy Petitions during the Past Ten Years

Clarity Financial has not had any bankruptcy petitions in the last ten years.

Item 19: Requirements for State Registered Advisors

Principal Executive Officers and Management Persons

The education and business background for all management and supervised persons can be found in the Part 2B of this Brochure.

Outside Business Activities

The outside business activities for all management and supervised persons can be found in the Part 2B of this Brochure.

Performance Based Fee Description

Neither Clarity Financial nor its management receive performance based fees.

Disclosure of Material Facts Related to Arbitration or Disciplinary Actions Involving Management Persons

1. Neither Clarity Financial nor its management have been involved in an arbitration claim alleging damages in excess of \$2,500 involving any of the following:
 - a) An investment or an investment-related business or activity;
 - b) Fraud, false statement(s) or omissions;
 - c) Theft, embezzlement or other wrongful taking of property;
 - d) Bribery, forgery, counterfeiting, or extortion;
 - e) Dishonest, unfair or unethical practices.
2. Neither Clarity Financial nor its management have been found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
 - a) An investment or an investment-related business or activity;
 - b) Fraud, false statement(s) or omissions;
 - c) Theft, embezzlement or other wrongful taking of property;
 - d) Bribery, forgery, counterfeiting, or extortion;
 - e) Dishonest, unfair or unethical practices.

Material Relationship Maintained by this Advisory Business or Management persons with Issuers of Securities

There are no material relationships with issuers of securities to disclose.

Item 1 Cover Page
SUPERVISED PERSON BROCHURE
FORM ADV PART 2B

Jarvis "Jay" M. Reeves III

Clarity Financial

Office Address:
440 E Huntington Drive
Suite 300
Arcadia, CA 91006

Tel: 800-783-4951
Fax: 714-733-7237

jmreevesiii@taylorassocins.com

This brochure supplement provides information about Jarvis M. Reeves III and supplements the Clarity Financial brochure. You should have received a copy of that brochure. Please contact Jarvis M. Reeves III if you did not receive the brochure or if you have any questions about the contents of this supplement.

Additional information about Jarvis M. Reeves III (CRD #6962524) is available on the SEC's website at www.adviserinfo.sec.gov.

DRAFT

Brochure Supplement (Part 2B of Form ADV)

Supervised Person Brochure

Principal Executive Officer – Jarvis M. Reeves III

- Year of birth: 1966
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Item 2 - Educational Background and Business Experience

Business Experience:

- Jarvis M. Reeves III DBA Clarity Financial; Owner/Investment Advisor Representative; 06/2020 – Present
- Taylor & Associates Insurance.; President/Insurance Agent; 02/2008 – Present
- Change Path LLC; Investment Advisor Representative; 06/2018 – 05/2019

Educational Background:

- No post-secondary education
-

Item 3 - Disciplinary Information

- A. Mr. Reeves has never been involved in a criminal or civil action in a domestic, foreign or military court of competent jurisdiction for which he:
1. Was convicted of, or pled guilty or nolo contendere (“no contest”) to (a) any felony; (b) misdemeanor that involved investments or an investment-related business, fraud, false statement or omissions, wrongful taking of property, bribery, perjury, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
 2. Is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
 3. Was found to have been involved in a violation of an investment-related statute or regulation; or
 4. Was the subject of any order, judgement or decree permanently or temporarily enjoining, or otherwise limiting, him from engaging in any investment related activity, or from violating any investment-related statute, rule, or order.
- B. Mr. Reeves never had an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which he:
1. Was found to have caused an investment-related business to lose its authorization to do business; or the subject of an order by the agency or authority;
 2. Was found to have been involved in a violation of an investment-related statute or regulation or was the subject of an order by the agency or authority (a)denying, suspending or revoking the authorization of the supervised person to act in an investment-related business; (b) barring or suspending his association with an investment-related business; (c) otherwise significantly limiting his investment-related activities; or (d) imposing a civil money penalty of more than \$2,500 on him.

- C. Mr. Reeves has never been the subject of a self-regulatory organization (SRO) proceeding in which he:
 - 1. Was found to have caused an investment-related business to lose its authorization to do business; or
 - 2. Was found to have been involved in a violation of the SRO's rules and was: (a) barred or suspended from membership or from association with other members, or was expelled from membership; (b) otherwise significantly limited from investment-related activities; or (c) fined more than \$2,500.
- D. Mr. Reeves has not been involved in Any other hearing or formal adjudication in which a professional attainment, designation, or license of the supervised person was revoked or suspended because of a violation of rules relating to professional conduct.

Item 4 - Other Business Activities

Jarvis M. Reeves III has a financial affiliated business as an insurance agent with Taylor & Associates Insurance. Approximately 50% of his time is spent on these activities. He will offer Clients services from those activities. As an insurance agent, he will receive commissions from the insurance products he sells.

These practices represent conflicts of interest because it gives an incentive to recommend products based on the commission amount received. This conflict is mitigated by disclosures, procedures and the firm's fiduciary obligation to place the best interest of the Client first and the Clients are not required to purchase any products. Clients have the option to purchase these products through another insurance agent of their choosing.

Item 5 - Additional Compensation

Jarvis M. Reeves III receives commissions on the insurance he sells. He does not receive any performance-based fees. He does not receive any additional compensation for performing advisory services other than what is disclosed in Item 5 of Part 2A.

Item 6 - Supervision

Jarvis M. Reeves III is the sole owner and investment adviser representative of Clarity Financial. He is responsible for all supervision, formulation and monitoring of investment advice offered to Clients. He will adhere to the policies and procedures as described in the firm's Compliance Manual. He can be reached at jmreevesiii@taylorassocins.com or 800-783-4951.

Item 7 - Requirements for State-Registered Advisors

- A. Mr. Reeves has not been involved in any of the following:
 - 1. An arbitration claim alleging damages in excess of \$2,500 involving any of the following:
 - a) An investment or an investment-related business or activity;
 - b) Fraud, false statement(s) or omissions;
 - c) Theft, embezzlement or other wrongful taking of property;
 - d) Bribery, forgery, counterfeiting, or extortion;
 - e) Dishonest, unfair or unethical practices.

2. Been found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
 - a) An investment or an investment-related business or activity;
 - b) Fraud, false statement(s) or omissions;
 - c) Theft, embezzlement or other wrongful taking of property;
 - d) Bribery, forgery, counterfeiting, or extortion;
 - e) Dishonest, unfair or unethical practices.
- B. Mr. Reeves has never been the subject of a bankruptcy petition.