

August 27, 2014

FORM ADV PART 2A APPENDIX 1  
("WRAP FEE PROGRAM BROCHURE")  
FOR ONE DEGREE ADVISORS, INC.

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## Item 1 – Cover Page

### **One Degree Advisors, Inc.**

3131 Camino del Rio N, #1010

San Diego, CA 92108

(619) 282-3288

[www.onedegreeadvisors.com](http://www.onedegreeadvisors.com)

**This wrap fee program brochure provides information about the qualifications and business practices of One Degree Advisors, Inc. If you have any questions about the contents of this brochure, please contact us at (619) 282-3288. 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 One Degree Advisors, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Click on the "Investment Adviser Search" link and then search for "Firm" using the firm's CRD number, which is 170392.**

**References herein to One Degree Advisors, Inc. as a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training.**

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## **Item 2 – Material Changes**

This brochure dated August 1, 2014 represents the initial wrap fee program brochure for One Degree Advisors, Inc. All clients that participate in one of One Degree Advisors' wrap fee programs will receive a copy of this brochure prior to, or at the time of, becoming a client.

One Degree Advisors, Inc. will provide you with a new wrap fee program brochure as necessary based on changes or new information regarding any wrap fee program, at any time, without charge.

Our brochure may be requested by contacting Audrey Coleman, Chief Compliance Officer at (619) 282-3288.

Additional information about One Degree Advisors, Inc. is also available via the SEC's website, [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's website also provides information about any persons affiliated with One Degree Advisors, Inc. who are registered, or are required to be registered, as investment adviser representatives of One Degree Advisors, Inc.

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## **Item 4 – Services, Fees and Compensation**

One Degree Advisors, Inc. is a corporation formed in 2001 in the State of California. The name was changed to One Degree Advisors, Inc. in 2014. Audrey Coleman and Janice Thompson are the principal owners of One Degree Advisors, Inc. The major decisions of a strategic and administrative nature for the firm are undertaken by both principal owners.

For investment management clients, One Degree Advisors, Inc. may offer its services through the "One Degree Wrap Program" (the "Program") which is a wrap fee program. A wrap fee program is an advisory program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment advisory services and the execution of client transactions.

One Degree Advisors, Inc. receives the entire Program fee, a portion of which is used to compensate the executing broker for any transaction charges and fees.

### **Services Offered**

One Degree Advisors, Inc. is a financial advisory firm dedicated to providing personalized confidential financial planning and investment management to its clients.

One Degree Advisors, Inc. offers financial planning and investment management services that include (1) helping the client clarify his or her investment objectives, goals and time horizons, (2) creating a diversified portfolio based on those needs, and (3) investing and managing the portfolio on behalf of the client on a discretionary basis. One Degree Advisors, Inc. has discretionary authority to make trades in client accounts as dictated by its best judgment for each client's situation without the client's prior consent. One Degree Advisors, Inc. will evaluate all publicly traded investments, but primarily recommends to its clients institutional-style and no-load mutual funds and other low-cost investment vehicles, and for some clients municipal notes and bonds and other fixed income securities.

Assets under the direct management of One Degree Advisors, Inc. are held at an independent custodian in the client's name. One Degree Advisors, Inc. does not have custody of client assets meaning that One Degree Advisors, Inc. does not hold client funds or securities either directly or indirectly and has no authority to obtain possession of them. Rather, One Degree Advisors, Inc. manages the assets under a limited power of attorney executed by the client.

Prior to engaging One Degree Advisors, Inc. to provide services, clients are generally required to enter into an agreement with One Degree Advisors, Inc. setting the terms and

conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to One Degree Advisors, Inc. beginning services.

Subject to any written guidelines, which the client may provide, One Degree Advisors, Inc. will be granted discretion and authority to manage the client's investment account(s). Accordingly, One Degree Advisors, Inc. is authorized to perform various functions, at the client's expense, without further approval from the client. Such functions include making all investment decisions on the (a) securities purchased/sold and (b) the amount of securities to be purchased/sold. Once the portfolio is constructed, One Degree Advisors, Inc. provides ongoing supervision and rebalancing of the portfolio as changes in market conditions and client circumstances may require.

One Degree Advisors, Inc. may offer investments through a third-party investment adviser ("sub-adviser"). All sub-advisers to whom One Degree Advisors, Inc. refers its clients will be a registered investment adviser with the Securities and Exchange Commission or other appropriate jurisdictions. At the time of the referral to the sub-adviser, the clients receive full disclosure that includes detailed information on the services offered and other pertinent disclosures by delivery of a copy of the relevant sub-adviser's Form ADV Part 2 or equivalent disclosure documents. In addition, if the investment program recommended to a client is a wrap fee program, the client will also receive the equivalent wrap fee brochure provided by the sponsor of the program. One Degree Advisors, Inc. will provide each client with all appropriate disclosure statements.

After consultation with One Degree Advisors, Inc., clients may impose restrictions on investing in certain securities or types of securities. Other restrictions may be imposed by clients with respect to the (average or longest) maturity or credit quality of fixed income investments. In either case, all restrictions must be in writing.

If requested by the client, One Degree Advisors, Inc. may recommend the services of other professionals for implementation purposes. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from One Degree Advisors, Inc.

One Degree Advisors, Inc. will utilize the Envestnet platform for the following:

- Placement of trades through the qualified custodians utilized by One Degree Advisors, Inc.;
- Access to third party money managers;

- Billing of advisory client accounts via their accounts held at qualified custodians;
- Performance reporting on all advisory accounts.

## Fees and Compensation

The client can determine to engage One Degree Advisors, Inc. to provide discretionary investment advisory services on a fee basis. One Degree Advisors, Inc.'s investment advisory fee is based upon a percentage (%) of the market value of the assets placed in under One Degree Advisors, Inc. or a fixed fee. The maximum fee percentage is 1.99% of the assets under management and is based on the balance of the accounts managed and services provided. The maximum annualized management fee that may be charged when participating in the Managed Opportunities Program is 3%, however, clients of One Degree Advisor's Inc. will not be charged a fee exceeding 1.99%.

Investment advisory fees will be calculated on quarterly basis, in advance, at the beginning of each calendar quarter based on the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter. The first quarter is due at the execution of the Advisory Agreement and is prorated to the end of that quarter.

Fees for financial planning services will vary, typically ranging from \$1,800 to \$25,000, and are determined by the services required and agreed upon in advance. The final fee, subject to negotiation, is directly dependent upon the facts and circumstances of the client's financial situation and the complexity of the financial plan or services requested. *In limited circumstances*, the cost/time could potentially exceed the initial estimate. In such cases, One Degree Advisors, Inc. will notify the client and may request that the client pay an additional fee. A financial planning consultation will require a deposit equal to one-half (50%) of the agreed upon fee upon execution of the agreement and the balance due upon completion of the work as agreed upon.

Clients may provide written authorization to the custodian of their accounts to pay One Degree Advisors, Inc.'s fees from the client's account. The account custodian does not verify the accuracy of One Degree Advisors, Inc.'s advisory fee calculation. The custodian will send the client a statement, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to One Degree Advisors, Inc.

Fees for the Managed Opportunities Program are billed in advance with the exception of the initial fee. The initial fee is billed in arrears, prorated based on the number of days that services were provided during the first billing period. The maximum annualized

management fee that may be charged to you is 3%. There may be legacy accounts that pay a lower annual fee. The exact fee or fee schedule will be disclosed to you prior to services being provided. The representative is paid a portion of the management fee for solicitations/referrals to Mutual Funds' Portfolios, Separate Account Portfolios and Unified Managed Account Portfolios.

Acting as a Registered Representative of Securities America (described in Item 10), investment adviser representatives of the firm generally earns a fee (mark up) on certain wrap fee programs. Any assets on which a commission is earned will generally not be charged an advisory fee.

Investment Adviser Representatives may also earn commission on sales of insurance.

### **General Information Regarding Advisory Services and Fees**

One Degree Advisors, Inc. fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, 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. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus.

Clients may also incur "account termination fees" upon the transfer of an account from one brokerage firm (custodian) to another. The range for these account termination fees is believed to range generally from \$0 to \$200 at present, but at times may be much higher. Clients should contact their custodians (brokerage firms, bank or trust company, etc.) to determine the amount of account termination fees that may be charged and deducted from their accounts for any existing accounts that may be transferred.

Such charges, fees and commissions are exclusive of and in addition to the firm's fee, and the firm does not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that the firm considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

The vast majority of clients pay One Degree Advisors, Inc.'s fees based upon a percentage of the assets we manage. This is a very common form of compensation for

registered investment advisory firms and avoids the multiple inherent conflicts of interest associated with commission-based compensation.

However, using the Program will likely cost the client less than paying for investment management services and transaction costs separately. For example, if the client engages One Degree Advisors, Inc. for investment management services only and utilizes the services of a broker-dealer other than specified in the Program, the investment management fee would be the dictated by the same fee schedule as if the client utilized the Program; in addition the client would pay separately for the transaction costs determined by the selected broker-dealer.

## Termination

The client may terminate any new agreement without penalty by providing written notice of such cancellation to One Degree Advisors, Inc. within five (5) business days of the date of signing the agreement. Following the five-day cancellation period, the client may cancel the Advisory Agreement any time. The client will be responsible for payment of any fees for services rendered prior to the notice. One Degree Advisors, Inc. may only terminate the Agreement with thirty-day notice to Client of its intention to terminate the Agreement. Any prepaid fees will be returned to the client.

One Degree Advisors, Inc. believes that the charges and fees offered within its program are competitive with alternative programs available through other firms offering a similar range of services; however, lower fees for comparable services may be available from other sources. A client could invest in mutual funds directly, without the services of One Degree Advisors, Inc. In that case, the client would not receive the services provided by One Degree Advisors, Inc. which are designed, among other things, to assist the client in determining which investments are most appropriate to each client's financial condition and objectives, undertake a disciplined approach to portfolio rebalancing while taking into account the tax ramifications of same, and to avoid ad hoc emotional reactions to shorter-term market events. Also, some of the funds used by the firm may not be available to the client directly without the use of an investment adviser granted access to such funds.

One Degree Advisors, Inc.'s relationship with each client is non-exclusive; in other words, One Degree Advisors, Inc. provides investment advisory services and financial planning services to multiple clients. One Degree Advisors, Inc. seeks to avoid situations in which one client's interest may conflict with the interest of another client. However, one circumstance which could arise is a sudden sharp downturn in the values of one or more stock asset classes, thereby triggering (under adopted investment policies with the vast majority of One Degree Advisors, Inc.'s clients) the need to rebalance the investment



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portfolios following the close of any business (trading) day. In this instance, One Degree Advisors, Inc. seeks to rebalance each client's investment portfolio on a timely basis, keeping in mind that most mutual fund trades occur at the end of a trading day.

## **Item 5 – Account Requirements and Types of Clients**

One Degree Advisors, Inc. does not require a minimum account size to participate in the Program.

One Degree Advisors, Inc. clients shall generally include high net worth individuals, business owners and corporations. Client relationships vary in scope and length of service.

## **Item 6 – Portfolio Manager Selection and Evaluation**

Unlike a typical wrap fee program, One Degree Advisors, Inc. serves as both the sponsor and sole portfolio manager within the Program. One Degree Advisors, Inc. will not engage other portfolio managers. The investment management services provided by One Degree Advisors, Inc. are described in Item 4 of this Appendix.

### **Performance-Based Fees**

One Degree Advisors, Inc. 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). Such acceptance or management would pose a significant conflict of interest to the client because performance-based fees may provide an incentive to favor such accounts over the accounts of clients under our other advisory programs. One Degree Advisors, Inc. considers avoidance of such conflict a paramount policy in maintaining our fiduciary duty to our clients.

### **Methods of Analysis**

Before designing investment plans for clients, One Degree Advisors, Inc. will evaluate the client's investments to determine whether the client's goals harmonize with the client's financial objectives. One Degree Advisors, Inc. will propose a portfolio to help clients attain their financial goals. In designing investment plans for clients, One Degree Advisors, Inc. relies upon the information supplied by the client and client's other professional advisors. Such information may pertain to the client's financial situation, estate planning, tax planning, risk management, short-term and long-term lifetime financial goals and objectives, investment time horizon, and perceived current tolerance for risk. One Degree Advisors, Inc. will design and propose a portfolio to help clients attain their financial goals.

This information will become the basis for the strategic asset allocation plan that One Degree Advisors, Inc. believes will best meet the client's stated long term personal financial goals. The strategic asset allocation provides for investments in those asset

classes that One Degree Advisors, Inc. believes will possess attractive combinations of return, risk, and correlation over the long term.

When One Degree Advisors, Inc. invests client assets, asset allocation techniques are used which include stocks and bonds of varying characteristics and from both the United States and foreign markets. One Degree Advisors, Inc. invests for the long term and expects that not all investments in a given portfolio will perform in unison with other assets in the same portfolio. One Degree Advisors, Inc. does not necessarily systematically rebalance the portfolio on a regular basis, but monitors each client's asset allocation to make adjustments where appropriate. One Degree Advisors, Inc.'s portfolio management decisions are made considering only the assets being managed and not with regards to other investments the client may hold.

One Degree Advisors, Inc. may utilize fundamental analysis. Fundamental analysis is performed on historical and present data, with the goal of making financial forecasts. The main sources of information include financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases.

One Degree Advisors, Inc. also utilizes other statistical stock market data. Other sources that the firm may use include Morningstar mutual fund information, Morningstar stock information, and information available on the internet.

## **Investment Strategies**

The primary investment strategy used on client accounts is asset allocation based on Modern Portfolio Theory. One Degree Advisors, Inc. develops a diversified investment portfolio by mixing different assets in varying proportions depending on client and current economic climate. The primary purpose of Asset Allocation is to reduce the risk in the portfolio, while maintaining or enhancing the rate of return of the portfolio. Portfolios are globally diversified to control the risk associated with traditional markets.

One Degree Advisors, Inc. manages a variety of model portfolios based on client risk profiles, ranging from conservative to aggressive. One Degree Advisors, Inc. utilizes an analytic process of fund performance in each asset class on at least a quarterly basis in order to determine the holdings and weightings of the models. The models form the basis of the design of client asset allocations, though specific client interests and circumstances may add unique holdings to any portfolio.

Each client receives investment advice regarding their portfolio based upon his or her:

- Income Needs
- Time Horizon
- Risk Tolerance

- Expected Rate of Return
- Asset Class Preferences

The investment vehicles primarily used to invest in the various asset classes are mutual funds and exchanged traded funds (ETFs). The mutual funds provide:

- Professional Management
- Diversification
- Flexibility
- Liquidity

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 an Investment Policy Statement that documents their objectives, their desired investment strategy and any restrictions on investments requested by the client.

## **Risk of Loss**

Investing in securities involves risk of loss that clients should be prepared to bear. One Degree Advisors, Inc.'s investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

**Interest-rate Risk:** The risk that investment returns will be affected by changes in the level of interest rates. When interest rates increase, the prices and values of bonds decrease. When interest rates decrease, the prices and values of bonds increase.

**Market Risk:** The risk that investment returns will be affected by changes in the overall level of the stock market. When the stock market as a whole increases or decreases, virtually all stocks are affected to some degree.

**Reinvestment Rate Risk:** The risk incurred when an investment's income is reinvested at a lower rate than the rate that existed at the time the original investment was made. This risk is most prevalent when interest rates fall.

**Purchasing Power Risk (Inflation Risk):** The risk that inflation will affect the return of an investment in real dollars. In other words, the amount of goods that one dollar will purchase decreases with time. Investments that have low returns, such as savings accounts, are not likely to keep up with inflation. Investments with fixed returns, such as bonds, will decrease in value because their purchasing value will decrease with inflation.

**Business Risk:** The risk associated with a particular industry or firm. These are factors that affect the industry or firm, but do not affect the whole market. They include

government regulations, management competency, or local or regional economic factors.

**Financial Risk:** The risk associated with the mix of debt and equity used to finance a firm. The greater the financial leverage, the greater the financial risk.

**Currency Risk (Exchange Rate Risk):** The risk that a change in the value of a foreign currency relative to the U.S. dollar will negatively affect a U.S. investor's return.

**Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

In general, cash equivalents provide liquidity with minimum income, and a return of principal with no capital appreciation. Cash equivalents are, however, subject to purchasing power risk.

Fixed income investments provide current income. Usually, the longer the maturity of the security, the higher the income it will generate. Also, with longer maturities, fixed income investments will have greater price volatility and greater opportunity for capital gains or capital losses. Fixed income investments are subject to interest rate risk, reinvestment rate risk, and purchasing power risk. In addition, foreign bonds would be subject to currency rate risk and junk bonds would be subject to business risk and financial risk.

The return of principal for bond funds and funds with significant underlying bond holdings is not guaranteed. Mutual fund shares are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings. Lower rated bonds are subject to greater fluctuations in value and risk of loss of income and principal than higher rated bonds.

Equity investments are subject to greater volatility, thus providing a greater opportunity for capital gains, and a greater opportunity for capital losses. Equity investments offer little or no current income. Equity investments are subject to market risk and interest rate risk, while providing an opportunity to protect against purchasing power risk. Also, stock mutual funds, rather than individual equities, may limit the exposure to business risk and financial risk.

Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be heightened in connection with investments in developing countries. Small-company stocks entail additional risks, and they can fluctuate in price more than larger company stocks.

Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.

### **Voting Client Securities**

One Degree Advisors, Inc. does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. One Degree Advisors, Inc. may provide advice to clients regarding the clients' voting of proxies. Clients will receive their proxies or other solicitations directly from their custodian.

### **Item 7 – Client Information Provide to Portfolio Managers**

Personal information (such as name, address, Social Security number, date of birth, assets and income), account and holdings data are disclosed to the Portfolio Managers. This enables the Portfolio Manager to service the Client accounts. One Degree Advisors, Inc. only shares Client personal information and account data pursuant to established One Degree Advisors, Inc. Privacy Policy and does not sell personally identifiable information about current or former clients to third parties. In providing services to Client accounts, One Degree Advisors, Inc. may use third-party service providers, who are contractually bound to respect and protect privacy of Client information.

One Degree Advisors, Inc. also provides information about a Client's state investment objective and investment restrictions.

### **Item 8 – Client Contact with Portfolio Managers**

Portfolio Reviews and Rebalancing of the client's portfolio, for the assets held under management with One Degree Advisors, Inc., will be undertaken: (1) periodically as determined by One Degree Advisors, Inc.; (2) upon request by the client, and (3) upon a substantial asset class decline, under the following adopted policies and procedures. All account reviews are conducted by the investment adviser representatives of the firm.

### **Item 9 – Additional Information**

#### **Disciplinary Information**

Neither One Degree Advisors, Inc. nor its management persons have any reportable legal or disciplinary events.

## **Code of Ethics, Participation, or Interest in Client Transaction and Personal Trading**

One Degree Advisors, Inc. 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, a prohibition of rumor mongering, 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 One Degree Advisors, Inc. must acknowledge the terms of the Code of Ethics annually, or as amended.

One Degree Advisors, Inc. anticipates that, in appropriate circumstances consistent with clients' investment objectives, it will cause accounts over which One Degree Advisors, Inc. has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which One Degree Advisors, Inc., its affiliates and/or clients, directly or indirectly, have a position of interest. One Degree Advisors, Inc.'s employees and persons associated with One Degree Advisors, Inc. are required to follow One Degree Advisors, Inc. Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of One Degree Advisors, Inc. and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for One Degree Advisors, Inc.'s clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of One Degree Advisors, Inc. 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 One Degree Advisors, Inc.'s clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. 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 One Degree Advisors, Inc. and its clients.

One Degree Advisors, Inc.'s clients or prospective clients may request a copy of the firm's Code of Ethics by contacting us at (619) 282-3288.

It is One Degree Advisors, Inc.'s policy that the firm will not affect any principal or agency cross securities transactions for client accounts. One Degree Advisors, Inc. will

also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, 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 hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, 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 adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

### **Client Referrals and Other Compensation**

As disclosed in Item 12 above, One Degree Advisors, Inc. may receive an indirect economic benefit from TDA. One Degree Advisors, Inc., without cost (and/or at a discount), may receive support services and/or products from TDA.

One Degree Advisors, Inc. may provide referrals to other investment advisory firms as a service to clients. However, One Degree Advisors, Inc. does not have agreements with or receive referral fees from any other advisors.

One Degree Advisors, Inc. does not receive, nor does it pay, any fees for client referrals.

### **Financial Information**

One Degree Advisors, Inc. does not require the prepayment of more than \$1,200 in fees per client, six months or more in advance. One Degree Advisors, Inc. accepts limited forms of discretion over clients' accounts, as described in Item 16 of this brochure. One Degree Advisors, Inc. is unaware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. One Degree Advisors, Inc. has never been the subject of a bankruptcy proceeding.