

Item 1 - Cover Page



**Firm Brochure**

**Effective: March 23, 2015**

This Firm Brochure provides information about the qualifications and business practices of Cordant, Inc. If you have any questions about the contents of this Firm Brochure, please contact us at (503) 621-9207 or by email at [info@cordantwealth.com](mailto:info@cordantwealth.com). The information in this Firm Brochure has not been approved or verified by the U.S. Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Cordant and its advisory persons are available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Cordant is a Registered Investment Advisor with the U.S. Securities and Exchange Commission. Registration of an investment advisor does not imply a certain level of skill or training. This Firm Brochure provides information about Cordant to assist you in determining whether to retain the Advisor.

**Cordant, Inc.**  
**121 SW Morrison Street, Suite #950**  
**Portland, OR 97204**  
**Phone: (503) 621-9207 \* Fax: (888) 839-8031**  
[www.cordantwealth.com](http://www.cordantwealth.com)

## **Item 2 - Material Changes**

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This Firm Brochure contains no material changes since our last annual ADV amendment.

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## **Item 4 - Advisory Services**

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### **A. Firm Information**

Cordant, Inc. (conducting business as Cordant Wealth Partners and herein “Cordant” or the “Advisor”) is a Registered Investment Advisor with the U.S. Securities and Exchange Commission, which is organized as a Corporation under the laws of the State of Oregon. Cordant was founded in November 2009, and is owned and operated by Managing Member, William P. Anfuso and Member, Daniel Frankel. This Firm Brochure provides information regarding the qualifications, business practices, and the advisory services provided by Cordant.

### **B. Advisory Services Offered**

Cordant offers investment advisory services to individuals, high net worth individuals, trusts, estates, pensions and profit sharing plans and corporations or other business (each referred to as a “Client”).

#### Account Portfolio Management

Cordant provides customized investment advisory solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management and consulting services. Cordant works with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation in order to create a portfolio allocation. Cordant will then construct a portfolio, consisting of mutual funds, private funds and exchange-traded funds (“ETFs”) to achieve the Client’s investment goals. The Advisor may also utilize individual stocks, bonds, options, alternative investments and other assets to meet the needs of its Clients.

Cordant’s investment strategy is primarily long-term focused, but the Advisor may buy, sell or re-allocate positions that have been held less than one (1) year to meet the objectives of the Client or due to market conditions. Cordant will construct, implement and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client has the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to the acceptance by the Advisor.

Cordant evaluates and selects ETFs and mutual funds for inclusion in Client portfolios only after applying their internal due diligence process. Cordant may recommend, on occasion, redistributing investment allocations to diversify the portfolio. Cordant may recommend specific positions to increase sector or asset class weightings. The Advisor may recommend employing cash positions as a possible hedge against market movement, which may adversely affect the portfolio. Cordant may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client’s risk tolerance.

#### Financial Planning and Consulting Services

Cordant typically provides a variety of financial planning services to individuals and families, pursuant to a written Financial Planning or Consulting Agreement. Services are offered in several areas of a Client’s financial situation, depending on their goals, objectives and financial situation.

Generally, such financial planning services involve preparing a financial plan or rendering a financial consultation for clients based on the Client’s financial goals and objectives. This planning or consulting may encompass one or more areas of need, including, but not limited to investment planning, retirement planning, personal savings, education savings and other areas of a Client’s financial situation.

A financial plan developed for or financial consultation rendered to the Client usually includes general recommendations for a course of activity or specific actions to be taken by the Client. For example recommendations may be made that the Client start or revise their investment programs, commence or alter retirement savings, establish education savings and/or charitable giving programs. Cordant may also refer Clients to an accountant, attorney or other specialist, as appropriate for their unique situation. For certain financial planning engagements, the Advisor provides a written summary of Client's financial situation, observations, and recommendations. For consulting or ad-hoc engagements, the Advisor may not provide a written summary. Plans or consultations are typically completed within six months of contract date, assuming all information and documents requested are provided promptly.

### C. Client Account Management

Prior to engaging Cordant to provide investment advisory services, each Client is required to enter into an Investment Advisory Agreement with the Advisor that defines the terms, conditions, authority and responsibilities of the Advisor and the Client. These services may include:

- Establishing an Investment Policy Statement – Cordant, in connection with the Client, may develop a statement that summarizes the Client's investment goals and objectives along with the broad strategy[ies] to be employed to meet the objectives. An Investment Policy Statement generally includes specific information on the Client's stated goals, time horizon for achieving the goals, investment strategies, Client risk tolerance and any restrictions imposed by the Client.
- Asset Allocation – Cordant develops a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance for risk for each Client.
- Portfolio Construction – Cordant develops a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – Cordant provides investment management and ongoing oversight of the Client's portfolio and overall account.

### D. Wrap Fee Programs

Cordant does not manage or place Client assets into a wrap fee program.

### E. Assets Under Management

As of December 31, 2014, Cordant manages approximately the following assets:

Assets Under Management	Assets
Discretionary Assets	129,021,660
Non-Discretionary Assets	4,681,038
<b>Total</b>	<b>133,702,698</b>

## Item 5 - Fees and Compensation

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The following paragraphs detail the fee structure and compensation methodology for investment management. Each Client shall sign an Investment Advisory Agreement that details the responsibilities of Cordant and the Client.

## **A. Fees for Advisory Services**

### Account Portfolio Management

Investment Advisory Fees are paid monthly in advance pursuant to the terms of the Investment Advisory Agreement. Investment Advisory Fees are based on the market value of assets under management at the end of each calendar month. Investment Advisory Fees range from 0.65% to 2.00%.

Investment Advisory Fees in the first month of service are prorated from the inception date of the account to the end of the first month. Fees may be negotiable under special circumstances at the discretion of the Advisor. The Client's fees may take into consideration the aggregate assets under management with Advisor. Securities held in accounts managed by Cordant may be independently valued by the designated Custodian.

### Financial Planning and Consulting Services

Cordant offers financial planning or consulting services on an hourly basis at \$250 per hour, which may be negotiable depending on the nature and complexity of each Client's circumstances. An estimate for total hours may be determined prior to establishing the advisory relationship.

In addition, Cordant may provide financial planning or consulting services on a fixed fee basis. An estimate for the total cost of the engagement may be determined prior to establishing the advisory relationship and agreed upon by the Client and the Advisor.

## **B. Fee Billing**

### Account Portfolio Management

Investment Advisory Fees will be automatically deducted from the Client Account by the Custodian pursuant to the Client's authorization. The Advisor shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client Account at the respective month end date. The amount due is calculated by applying the monthly rate (annual rate divided by 12) to the total assets under management with Cordant at the end of each month. Clients should be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the Investment Advisory Fee. Clients provide written authorization permitting Cordant to be paid directly from their accounts held by the Custodian as part of the Investment Advisory Agreement and separate account forms provided by the Custodian.

### Financial Planning and Consulting Services

Financial planning and consulting fees are invoiced by the Advisor and are due upon receipt of the agreed upon deliverable.

## **C. Other Fees and Expenses**

Clients may incur certain fees or charges imposed by third parties, other than Cordant, in connection with investment made on behalf of the Client's account[s]. The Client is responsible for all custodial and securities execution fees charged by the custodian and executing broker-dealer. The Investment Advisory Fee charged by Cordant is separate and distinct from these custodian and execution fees.

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In addition, all fees paid to Cordant for investment advisory services are separate and distinct from the expenses charged by mutual funds and exchange-traded funds to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses are generally used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. 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. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by Cordant to fully understand the total fees to be paid.

#### **D. Advance Payment of Fees and Termination**

##### Account Portfolio Management

Cordant is compensated for its services in advance of the month in which investment advisory services are rendered. Clients may request to terminate their Investment Advisory Agreement with Cordant, in whole or in part, by providing advance written notice. The Client shall be responsible for Investment Advisory Fees up to and including the effective date of termination. Upon termination, the Advisor will refund any unearned, prepaid Investment Advisory Fees from the effective date of termination to the end of the month. Clients may contact Cordant to request the refund of any unearned fees.

##### Financial Planning and Consulting Services

In the event that a Client should wish to cancel the financial planning agreement under which any plan is being created, the Client shall be billed for actual hours logged on the planning project times the agreed upon hourly rate. Any surplus in the Advisor's possession as the result of collecting a deposit at the time of signing the financial planning agreement may be returned to the Client within 5 business days of cancellation.

Either party may terminate a planning or consulting agreement at any time by providing written notice to the other party. In addition, the Client may terminate the agreement within five (5) days of signing the Advisor's financial planning or consulting agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. The Advisor does not generally collect a deposit, however, refunds may be given on a pro-rata basis.

#### **Item 6 - Performance-Based Fees and Side-By-Side Management**

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Cordant does not charge performance-based fees based on the capital appreciation of the funds or securities held by any Client.

#### **Item 7 - Types of Clients**

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Cordant provides investment advisory services to the following types of Clients:

- Individuals, High Net Worth Individuals, Personal Trusts and Estates
- Pension and Profit Sharing Plans –
- Corporations and Businesses

Cordant generally requires a minimum account size of \$500,000 to effectively implement its investment process.

## Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss

### **A. Methods of Analysis**

Cordant primarily employs fundamental and technical analysis methods in developing investment strategies for its Clients. Research and analysis from Cordant is derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and review of company activities, including annual reports, prospectuses, press releases and research prepared by others.

Cordant generally employs a long-term investment strategy for its Clients consistent with their financial goals. Cordant will typically hold all or a portion of a security for more than a year, but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, Cordant may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector or asset class.

Fundamental analysis utilizes economic and business indicators as investment selection criteria. These criteria are generally ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate.

Each Client engagement entails a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis. The Advisor may work with each Client to determine their tolerance for risk as part of the portfolio construction process.

### **B. Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. Cordant may assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

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

- *Interest-rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.



- *Market Risk:* The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic, and social conditions may trigger market events.
- *Inflation Risk:* When any type of inflation is present, a dollar will be worth more today than a dollar next year, because purchasing power is eroding at the rate of inflation.
- *Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- *Reinvestment Risk:* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- *Business Risk:* These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- *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.
- *Financial Risk:* Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- *Options Risk:* Options allow investors to buy or sell a security at a contracted "strike" price (not necessarily the current market price) at or within a specific period of time. Clients may pay or collect a premium for buying or selling an option. Investors transact in options to either hedge or limit losses in an attempt to reduce risk or to speculate on the performance of the underlying securities or to collect premiums for selling options. Options transactions contain a number of inherent risks, including the partial or total loss of principal in the event that the value of the underlying security or index does not increase/decrease to the level of the respective strike price. Holders of options contracts are also subject to default by the issuer which may be unwilling or unable to perform its contractual obligations. These options are subject to pricing components— including duration, strike price and premiums— to which the underlying stocks are not. We may trade in put and call options, which involve qualitatively different risks than owning or selling short the underlying common stock. Because option premiums paid or received by an investor are small in relation to the market value of the investments underlying the options, trading put and call options is highly leveraged.
- *Margin Risk:* Borrowing from banks, brokerage firms and other financial institutions is known commonly as margin. Borrowed funds are invested in additional securities. Gains made with additional funds borrowed may generally cause the value of a portfolio to rise faster than would be the case without borrowing. Conversely, if investment results fail to cover the cost of borrowing, the value of a portfolio could decrease faster than if there had been no borrowing. In connection with borrowing, the borrower may be required to reduce its borrowing on a timely basis in the event the value of assets falls below the coverage requirement of the margin limitations. If there is such a required reduction of borrowing, the borrower could be required to liquidate securities positions at times when it might not be desirable or advantageous to do so.
- *Alternative Investments (Limited Partnerships) Risk:* The performance of alternative investments (limited partnerships) can be volatile and may have limited liquidity. These investments are only available to investors that meet certain requirements. An investor could lose all or a portion of their investment. Such investments often have concentrated positions and investments that may carry higher risks. The risks of

these investments are found in the offering documents and other related documents that the investor should carefully review.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.**

## **Item 9 - Disciplinary Information**

There are no legal, regulatory or disciplinary events involving Cordant or any of its employees to disclose under Item 9.

## **Item 10 - Other Financial Industry Activities and Affiliations**

Cordant does not have other financial industry activities or affiliations applicable to this Item.

## **Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **A. Code of Ethics**

Cordant has implemented a Code of Ethics that defines our fiduciary commitment to each Client. This Code of Ethics applies to all persons associated with Cordant. The Code of Ethics was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. Cordant and its personnel owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of Cordant associates to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code of Ethics covers a range of topics that may include; general ethical principles, reporting personal securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code of Ethics, review and enforcement processes, amendments to Form ADV and supervisory procedures. In addition, the Code of Ethics governs gifts and entertainment given by and provided to the Advisor, outside employment activities of employees, employee reporting, sanctions for violations of the Code of Ethics, and records retention requirements for various aspects of the Code of Ethics.

To request a copy of our Code of Ethics clients and perspective clients may contact us at (503) 621-9207 or via email at [info@cordantwealth.com](mailto:info@cordantwealth.com).

### **B. Personal Trading in Same Securities as Clients**

Cordant allows our employees to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities we recommend (purchase or sell) to you presents a potential conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. As noted above, consistent with Section 204A of the Investment Advisers Act of 1940, we have adopted a Code of Ethics that addresses insider trading (material non-public information controls) and personal securities reporting procedures. We may have an interest or position in certain securities, which may also be recommended to you.

### **C. Personal Trading at Same Time as Client**

It is the primary intent of Cordant's procedures to ensure that the best interests of all Clients are always served over our interests. While Cordant allows our employees to purchase or sell the same securities that may be

recommended to and purchased on behalf of Clients we seek to put the clients' interests first. Cordant trades may be aggregated with Client trades and receive the same price.

## **Item 12 - Brokerage Practices**

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### **A. Recommendation of Custodian[s]**

The Client will select the broker-dealer or custodian (herein the "custodian") and authorize Cordant to direct trades to this custodian as agreed in the Investment Advisory Agreement. Further, Cordant does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis.

Cordant may recommend custodian[s] to Clients for execution and/or custodial services. Clients are not obligated to use the recommended custodian. Cordant may recommend a custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, and location of the custodian's offices.

Factors considered in evaluating custodians for execution and/or custodial services may include: 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the broker.

Following are additional details regarding the brokerage practices of the Advisor:

**1. Soft Dollars** – Soft dollars are revenue programs offered by broker-dealers whereby an advisor enters into an agreement to place security trades with the broker in exchange for research and other services. Cordant does not participate in soft dollar programs sponsored or offered by any broker-dealer.

**2. Brokerage Referrals** – Cordant does not receive any compensation from any third party in connection with the recommendation for establishing a brokerage account.

**3. Directed brokerage** - Cordant may permit a client to request that Cordant effect securities transaction for that client's account through a particular broker-dealer. A client's direction of brokerage can limit or eliminate Cordant's ability to obtain most favorable execution of client transactions. In addition, Cordant may be unable to aggregate orders to reduce transaction costs. If the client directs brokerage, the client will negotiate terms and arrangements for the account with that broker-dealer, and Cordant will not seek better execution services or prices from other broker-dealers. As a result, the client may pay higher commissions or other transaction costs or incur greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. In other words, directing brokerage may cost a client more money.

### **B. Aggregation**

Where Cordant is able, Cordant may purchase or sell the same securities for several clients at approximately the same time. Cordant may do this in an effort to obtain "best execution", to reduce commission rates, or to allocate equitably among Cordant's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions may be averaged as to price and may be allocated among Cordant's clients in proportion to the purchase and sale orders placed for each client account on any given day. To the extent that Cordant determines to aggregate client orders for the purchase or sale of securities, including securities in which Cordant's principals and/or associated persons may invest, Cordant shall generally do so in accordance with the parameters set forth in SEC No-Action Letter, SMC Capital, Incorporated. Cordant shall not receive any additional compensation or remuneration as a result of the aggregation.

## **Item 13 - Review of Accounts**

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### **A. Frequency of Reviews**

Accounts are monitored on a regular and continuous basis by advisory persons of Cordant under the supervision of Brenda K. McCombs, Chief Compliance Officer of Cordant. Formal reviews are generally conducted periodically and the frequency may depend on the needs of the Client.

### **B. Causes for Reviews**

Reviews may be conducted more or less frequently at the Client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account. The Client is encouraged to notify Cordant if changes occur in his/her personal financial situation that might adversely affect his/her investment plan. Additional reviews may be triggered by material market, economic or political events.

### **C. Review Reports**

The Client should receive brokerage statements no less than quarterly from the custodian. These brokerage statements are sent directly from the custodian to the Client. The Client may also establish electronic access to the custodian's website so that the Client may view these reports and their account activity. Client brokerage statements include positions, transactions and fees relating to the Client's account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance. In the event that a client also receives an account statement from Cordant, each client is urged to compare the account statement they receive from the qualified custodian with the account statement they receive from Cordant, and to rely solely on the account statement received from the qualified custodian.

## **Item 14 - Client Referrals and Other Compensation**

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Cordant maintains one or more solicitation agreements with affiliated referral sources. These affiliates are known as Cordant Ambassadors and they are paid a fee for referring prospective clients to Cordant. Any such referral fee is paid solely by Cordant to the Ambassador. Clients who have been referred to Cordant by an Ambassador will not bear additional fees or charges due to the fact that they were referred by an Ambassador.

## **Item 15 - Custody**

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The Client's assets are maintained with a qualified custodian. The qualified custodian is authorized by the client to deduct and direct payment of Cordant's advisory fee directly from the Client's custodial account. Cordant may be deemed to have custody solely because we may deduct our advisory fees from Clients' custodial accounts. Each Client should receive account statements directly from the qualified custodian on at least a quarterly basis. Each Client should carefully review those statements. In the event that a Client also receives an account statement from Cordant, each Client is urged to compare the account statement they receive from the qualified custodian with the account statement they receive from Cordant, and to rely solely on the account statement received from the qualified custodian. For more information about custodians and brokerage practices, see Item 12 - Brokerage Practices.

## **Item 16 - Investment Discretion**

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Cordant's investment management services may be provided on either a discretionary or non-discretionary basis. Where Cordant has discretionary management authority, Cordant will be authorized to determine the securities to be bought or sold for the client's account(s), the amount of securities to be brought or sold, and the timing of securities transactions.

Each client may request reasonable limitations be placed on Cordant's discretionary authority, such as securities or market-sector based limitations. Any such limitations shall be presented to Cordant in writing, and Cordant will review any such requests on a case-by-case basis.

Cordant's Investment Advisory Agreement, and the agreement between the client and the custodian/broker-dealer for the account, may grant discretionary authority to Cordant. The client's written agreement with the custodian also grants a limited power of attorney to Cordant to effect transactions in the client's custodial account.

## **Item 17 - Voting Client Securities**

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Cordant does not accept proxy-voting responsibility for any Client. The Client shall be responsible for all decisions concerning the voting of proxies for securities held in Client accounts

## **Item 18 - Financial Information**

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Cordant is not aware of any condition that is reasonably likely to impair the ability of Cordant to meet contractual obligations to its Clients.